

TWENTY CENTS

MAY 7 1929

MAY 4, 1929

V. 18 #5

Sales Management

The Weekly Magazine for Marketing Executives



F. B. Davis, Jr.
*President and Chairman of the Board,
United States Rubber Company*

U. S. Rubber Creates a Separate
Department to Sell Each Product

How Cromar Nationalized a Local
Business on Limited Capital

NOT A TESTIMONIAL



From Mr. Brisbane's "Today" column of March 1st, 1929, as it appeared in 200 newspapers. Reprinted by permission.

THE AMERICAN Greatest Circulation in the World WEEKLY

Main Office: 9 East 40th Street, New York City

BRANCH OFFICES:

222 Monadnock Bldg.
San Francisco

5 Winthrop Square
Boston

753 Bonnie Brae
Los Angeles

1138 Hanna Bldg.
Cleveland

Wrigley Bldg.
Chicago

101 Marietta St.
Atlanta

12-231 General Motors Bldg.,
Detroit

MARCH——

The Highwater Mark
In NEWS Circulation

165,069

Average Daily Net Paid

The Largest Circulation
of Any Month in
NEWS History



10,683

Increase Over 1928

*You Can Cover The Great Western New York
Market Through The Exclusive Use Of The*

BUFFALO EVENING NEWS

EDWARD H. BUTLER, *Editor and Publisher*

KELLY-SMITH COMPANY, National Representatives

Graybar Bldg.
New York City

Post Bldg.
Chicago

Atlantic Bldg.
Philadelphia

Gen. Motors Bldg.
Detroit

Glenn Bldg.
Atlanta

Waterman Bldg.
Boston

Metropolitan Newark

Covered thoroughly
and economically
with ONE medium—the

Newark Evening News

No other market so rich in Purchasing Power can be cultivated at so little cost and with such assurance of successful results as that of Metropolitan Newark and Northern New Jersey.

In this territory the NEWARK EVENING NEWS is the welcomed Home Newspaper — an ace among the news journals of the nation—an ace in Pulling Power.

Its daily average circulation is in excess of 140,000 copies, constantly growing, and

90% Home Delivered
in the richest and most densely populated district of the United States.

**In 1928 the Newark
Evening News Ranked
FIRST in
National
Advertising**

Among ALL the six-day Newspapers published in the United States

Newark Evening News
ALWAYS REACHES HOME

Always Reaches Home

EUGENE W. FARRELL

Business and Advertising Manager
215-221 Market Street, Newark, N. J.

O'MARA & ORMSBEE, INC.

General Representatives

New York - Chicago - Detroit
Los Angeles - San Francisco

Tips

Advertising Campaigns

How to Plan an Advertising Campaign. An excellent analysis of how to go about selecting an advertising agency, the preparation of the merchandising and the advertising campaigns and the final checking-up; prepared by a Chicago advertising agency for the guidance of manufacturers who have never advertised.

Handling a Sales Force

A Hundred Checking Points for Salesmen. In the last "Tips" we called attention to a Norman T. A. Munder reprint, and many readers asked for it. Mr. Munder also has reprinted another of M. L. Wilson's articles, this one an even hundred subjects on which sales managers should have assurance that the men under them have the right attitude.

Advertising—Broadcasting

Does Radio Advertising Pay? It does, of course, for those who use it right, but it is no more a panacea than any other medium of advertising. This booklet discusses the results secured by nine radio advertisers, ranging from the Maple Dale Hatchery of Austin, Minnesota, to the American Tobacco Company, whose president is quoted as saying that the amazing success of their broadcasting determined them to greatly increase their magazines and newspaper advertising.

Direct Mail

Hidden Gold in the Bond Field. Anything connected with paper making always fascinates the writer of this department, but he found it particularly difficult to put down this well-written and illustrated story of Caslon Bond, the standardized, low-priced, utility bond. The man who wrote it knows how to add glamour and romance to a business document without wandering off the straight and narrow road of facts.

Strathmore Wayside Text. This column usually is written in much shorter time than it is taking this week. The booklets are so interesting that they demand being read through from start to finish. Here, for example, is something much more than sample sheets of a new paper; it is a potpourri of

seventeenth and early eighteenth century literature, including a theatrical program of 1707, bits from Cervantes, Rabelais, Lawrence Sterne and others, and interspersed with such bits of modernism as Earnest Elmo Calkins advice on how to buy printing and an etching of a Wall Street scene. It's a swell example of how to introduce a new product.

Advertising Distribution; Sales Quotas

Circulation by Counties, April, 1929. Twice this year *McCall's* has issued promotion pieces without a line of "promotion" copy—last month it was their "Nation on Wheels" and now for the help of puzzled advertisers and their agencies they have prepared a 36-page book giving county population figures for all states, and circulation in those counties of the six leading women's magazines. No attempt is made to draw conclusions or make explanations. The facts are there—for them as wants 'em.

Farm Markets

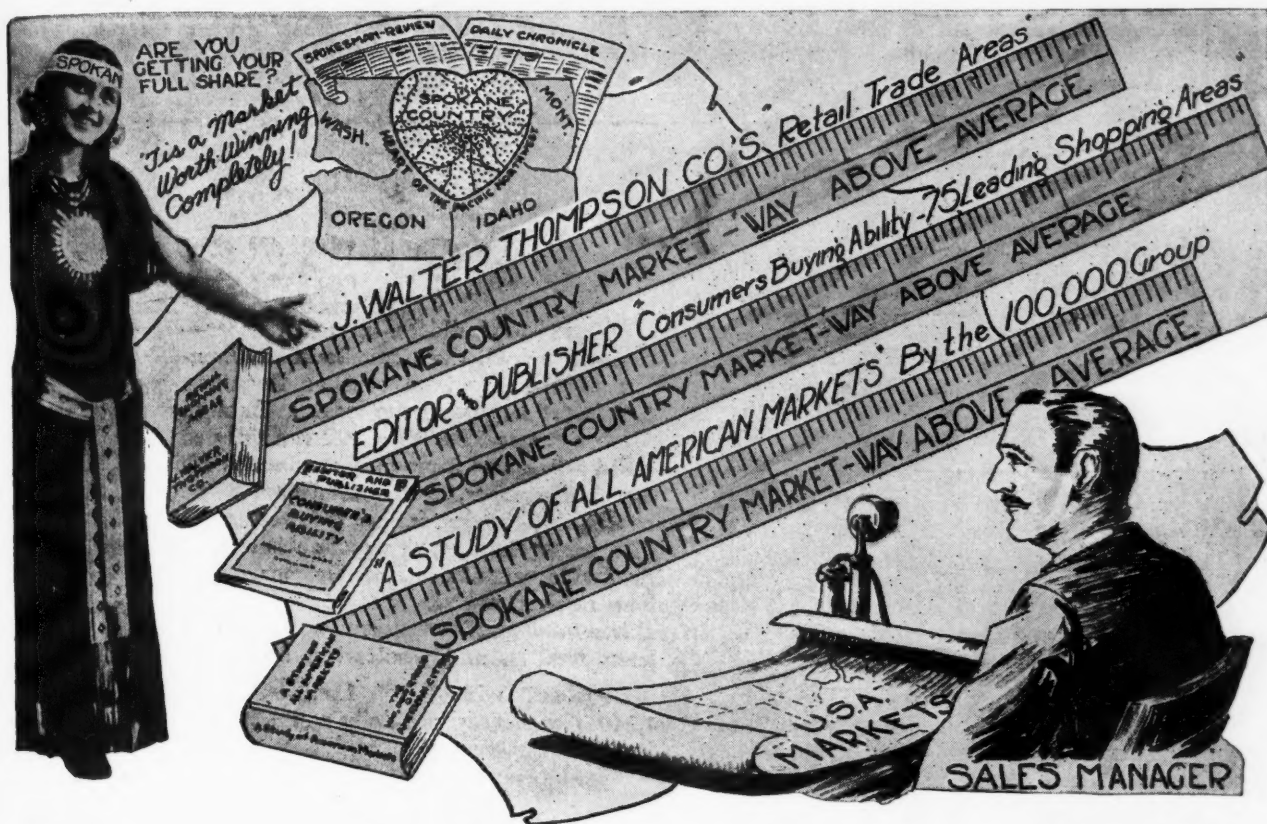
In Oklahoma—the 1929 Year Book. For any sales executive interested in Oklahoma there is a world of information in this book, including such features as a large-size official road map, statistical information for every county (number of farms, assessed valuation, automobile registrations, etc.). Prepared especially for sales managers by the *Oklahoma Farmer-Stockman*, a state farm paper with a circulation almost equaling the number of farms in the state.

Market Research

What Intelligent Marketing Research Can Accomplish. Eleven ways of increasing sales or cutting expense which are applicable to most manufacturing businesses are described in this booklet.

Office Correspondence

Getting Action. The results of an investigation among forty-one firms to weigh the relative effectiveness of shorthand versus machine dictation are given in this booklet, besides other practical hints on how to make correspondence more effective.



Measure the Spokane Country Market by Any "Yard Stick" You Choose

You'll Find It Far and Away Above the Average—Truly an Exceptional Market

According to "Consumer Buying Ability of 75 Leading Shopping Areas," as quoted in the August 18th issue of Editor and Publisher and The Fourth Estate, while Spokane proper leads only 10 of the 75 cities of leading shopping areas in population, note the following significant comparisons:

Spokane leads 29 in population of shopping area.
Leads 24 in Consumer Buying Ability in Class No. 1—necessities, staples.
Leads 26 in Class No. 2—moderate priced needs, packaged staples.
Leads 29 in Class No. 3—quality necessities, staples, cheap luxuries.
Leads 29 in Class No. 4—fancy necessities, staples, moderate luxuries.
Leads 33 in Class No. 5—quality priced luxuries and non-staples.
Leads 52 of 75 leading shopping areas in income tax returns to population.
Beats average of 75 leading markets, income tax returns to population, by 19.6%.

A careful study of J. Walter Thompson Company's book, "Retail Shopping Areas," reveals the following significant facts about the Spokane trading area:

Population City of Spokane leads only 6 of the 67 cities in Group 2 (population 100,000-500,000).

Population Spokane trading area leads 21 of the 67.

Leads 27 of the 67 in number of income tax returns.

Leads 32 of 67 in population per income tax return.

One-sixth more people Spokane Country file income tax returns than average for the 67.

Income tax returns filed, Spokane trade territory outside of city, beats average for 67 markets by over 200%.

Careful analysis of the book, "A Study of All American Markets," reveals the following interesting market facts about Spokane and the Spokane Country market:

Spokane leads only 14 of the 93 cities in population, city alone.

Leads 43 in population trading area.

Leads 44 in number of families.

Leads 81 in number of towns 1000 or over in trading area.

Leads 39 in bank deposits.

Leads 54 in number of autos, other than Fords.

Leads 42 in number of residence telephones.

Leads 48 in number of wholesale merchants.

Leads 41 in number of retail merchants.

Leads 41 in number of male and female buyers 15 or over.

Through the 93,000 combined circulation of *The Spokesman-Review* and *Spokane Chronicle* (86% UNduplicated), advertisers reach nearly all of the 101,735 prosperous urban families in Spokane and the 522 cities and towns of the field. Spokane country conditions are the best for years.

REPRESENTATIVES

Wm. J. Morton Co.
 New York. Chicago.
 M. C. Mogensen & Co.,
 Inc.
 San Francisco, Portland
 Los Angeles, Seattle

REVIEW-CHRONICLE NATIONAL ADVERTISING BUREAU

93,000 CIRCULATION 86% UNDUPLICATED

THE SPOKESMAN-REVIEW
 MORNING-SUNDAY TWICE A WEEK

Spokane Daily Chronicle
 EVENING WEEKLY

93,000 CIRCULATION 86% UNDUPLICATED

COVER SPOKANE AND THE SPOKANE COUNTRY LIKE THE SUNSHINE

DOMINANT FARM MAGAZINES

The Washington Farmer
The Idaho Farmer
The Oregon Farmer



Bogalusa

Bogalusa, to builders, means lumber—most of it from the Great Southern Lumber Company, whose mill at Bogalusa, La., is the largest in the world. Enough lumber comes from that mill each day to build a hundred average houses and, with the kraft paper, turpentine, boxes and container liner that follow that volume of "Bogalusa" lumber, this section is a most profitable part of the New Orleans suburban market radius. Bogalusa's 15,000 citizens are good customers, as New Orleans retailers and wholesalers know.

Bogalusa, with 3,394 families, reads 1,240 Times-Picayunes daily and 1,536 on Sunday.

The Times-Picayune

IN NEW ORLEANS

Member 100,000 Group of American Cities, Inc.
Member Associated Press.

Representatives: Cone, Rothenburg and Noe, Inc.
Pacific Coast Representatives: R. J. Bidwell Co.

RAYMOND
E
Tor
66 Ter
A. T. TUR
Enr
Lond
33 C
G. D. YOU
Sydn
CATTS-PATT
Established

VOL. XVIII. No. 5
May 4, 1929
Published Every
Saturday

Sales Management

The Weekly Magazine for Marketing Executives

Publication Office:
420 Lexington Ave.
New York. Phone
Lexington 1760

CONTENTS

Sales Policies

- A Precision-Geared Selling Plan Nationalizes a Local Business 229
By W. D. Crooks, Jr., sales manager, The Cromar Company
- Fairchild Sales Contract and Discount Plan for Distributors 232
*By A. A. Woodruff, general sales manager, Fairchild Airplane
Manufacturing Corporation*
- Fair Profit Policy Breaks National Market for Branded Fish 237
By Frank W. Bryce, president, The Atlantic Coast Fisheries Corporation

Advertising

- What Does the Consumer Think of Advertising? 235
*By J. F. Pyle, dean, Robert A. Johnston College of Business Administration,
Marquette University*
- Nicholson Digs Up Human Interest Angles on a Drab Product 248
By A. L. White

Dealer Relations

- What Manufacturers Should Know about Department Stores 240
By Merle Higley

Export

- Why Monroe Designed a Special Model for Export Markets 243
*As told to W. F. Mayers by A. S. Thomas, foreign sales manager,
Monroe Calculating Machine Company*

General

- How Sam Vauclain Goes After a Big Order 239
By Uthai Vincent Wilcox

Sales Contests

- A New Account Contest that Heads Off Credit Squabbles 246
By C. E. Pellissier

Departments and Services

- Tips for the Sales Manager 222
- Latest News in Sales and Advertising, Beginning on 249
- Sales Management Gallery 250-251
- Editorial Comment 264
- Survey of Surveys 270

RAYMOND BILL, *Editor*; HENRY J. WRIGHT, *Advisory Editor*; EUGENE WHITMORE, *Managing Editor*; A. R. HAHN, *Associate Editor*; D. GUERNSEY, *Desk Editor*; EUGENE DE LOPATECKI, *Art Editor*; LAWRENCE M. HUGHES, *News Editor*

Toronto Office:
66 Temperance Street
A. T. TURNER . . . Manager

European Office:
London, W. C. 2
33 Chancery Lane
G. D. YOUNG . . . Manager

Sydney (Australia)
CATTS-PATTERSON CO., LTD.

SALES MANAGEMENT, INC.

420 Lexington Ave., New York Chicago Office: 333 N. Michigan Ave.

RAYMOND BILL, *President*; PHILIP SALISBURY, J. F. WEINTZ, C. E. LOVEJOY, *Vice-Presidents*; EARL CONSTANTINE, *Treasurer*; T. J. KELLY, *Secretary*; PHILIP SALISBURY, *Director of Advertising*; J. B. KEENEY, *Manager Qualitative Analysis of Media*; M. V. REED, *Eastern Advertising Manager*; R. E. SMALLWOOD, *Circulation Manager*.

Subscription Rates: Single copies, 20 cents. Yearly subscriptions payable in advance \$4.00 for fifty-two issues anywhere in the United States or its possessions or in Mexico. In Canada, \$4.25, and \$4.50 in foreign countries. Subscriptions to SALES MANAGEMENT are dropped promptly when they expire.

Established 1918 by The Dartnell Corporation. Member Audit Bureau of Circulation and Associated Business Papers, Inc. Operated in association with Federated Business Publications, Inc. Telephone Lexington 1760, New York. Cable, Elbill, New York.

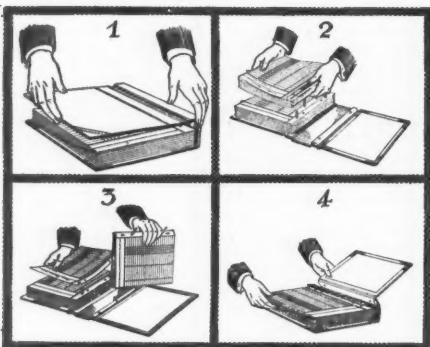
MOORE'S LOOSE LEAF SYSTEMS



Keep your records easier with a MOORE BINDER

YOU can now keep all your records in an easy, simple, compact manner if you use a Moore's Security 4-Post Binder. For this binder is DIFFERENT. It enables you to remove or insert sheets in a moment. It is low in cost—long in life. It operates more simply than any other binder on the market.

Here's how simply Moore's Binders operate. Just four quick movements and the record is complete.



This is why over 300,000 concerns are using Moore's Binders. They recognized the need for more efficient record-keeping. Moore's Binders fulfilled that requirement and are now standard equipment.

You too can increase the efficiency of your own organization by adopting Moore's Methods. Write us today. Tell us your problems. We will be glad to help. Or use the coupon below. No obligation will be entailed by either action.

FREE

140-Page Book of life-size Bookkeeping forms, completely filled in to illustrate uses. Will answer your record-keeping problems—office or factory. Book sent free when requested on business stationery.



John C. Moore Corporation
5237 Stone Street Rochester, N.Y.

Gentlemen: Please send without obligation copy of book illustrated.

Name: _____

Address: _____

Business: _____

The Postman Whistles

Defends Specialty Salesmen

Editor, SALES MANAGEMENT: An article on Page 439 of your February 23rd issue, entitled "Is The Manufacturer's Specialty Salesman Worth What He Costs" in which a jobber answers emphatically "No," wakes old memories and is the direct cause of this letter.

Some years ago I was for a period of several years one of the specialty salesmen representing a manufacturer to whom Mr. Gates objects. From observations which I made at that time, I should say that Mr. Gates is right in some respects and wrong in others. Much depends upon the line, upon the manufacturer's representative and upon the jobber's salesman.

My own experience was with a well-known house, packing a fancy line of canned goods. The line was long established and of recognized quality, at a somewhat higher price than that obtained for the average run. It was not advertised, and while sold under the manufacturer's label, at least two dozen labels were provided for the same line of goods for grocers who wanted something exclusive.

In a fair percentage of places, where the line had been established, there was little or no trouble in obtaining repeat orders. The jobber's salesman could get the orders many times, if he stood well with his trade.

In another percentage of cases, I noticed that unless the specialty man was on the job each year to introduce his goods over again and fight for them, a high-powered representative from another manufacturer would sooner or later steal the business.

When it came to breaking in a new account, the specialty salesman became of greatest value, assuming, of course, that he was of the right calibre. This is where the line to be sold makes a big difference. Introduction of canned goods is made by comparison. The salesman, if he is a live one, carries a large line of samples and cuts these samples against the goods taken from the merchant's shelf, paying retail prices usually for the competitive goods which he cuts. No jobber's salesman is going to load himself down with several dozen sample cans and spend the time cutting and comparing when he could be just as well

taking an order for a couple of barrels of sugar.

I recall opening up an account in a certain fair-sized Western city. It was my first place to work without a team-mate from the factory. The goods had never been introduced in this city. I called a meeting of the jobber's salesmen on Saturday and displayed the line with great enthusiasm. The jobber's salesmen were equally as enthusiastic until I began quoting prices, whereupon they stated flatly that goods of that price could not be sold to their trade and, with one exception, claimed it would be useless to take me out with them.

Feeling I had a good deal at stake, because I had not been with the firm very long, I insisted on going out alone, following lists of grocers which they provided. It required only very ordinary salesmanship to place the line, under a different label, with every worth-while grocery in two cities, and to make the job a little more impressive, I sold nearly every grocery in town some parts of the line.

To sum up an answer to Mr. Gates' article, I should say that if I were a manufacturer in a line of this sort, I would concentrate on one brand, advertise, and sell it through all jobbers, or organize for myself a crew of specialty men who would earn big money. To entrust a continued growth of sales of an article such as I have mentioned, to the tender mercies of a bunch of jobbers' salesmen who go bouncing about the country with a catalog and one or two "special deals," is to see the business gradually dry up and blow away.

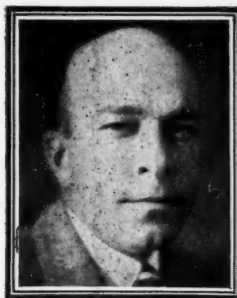
Another point I omitted was the fact these canned goods were all sold as "future." To get a grocer to place in the spring or early winter, orders for canned goods for fall delivery, is not always as easy as it might be. Still if the jobber is going to be put in position to place an order of the right size to take care of this trade, he is going to need a lot of these future orders to work from. He should, I believe, welcome the efforts of the specialty salesman in bringing in these orders.—A. M. Taylor, Manager, Advertising & Sales Promotion, Copeland Sales Company.



GEORGE F. GOUGE
Director and Account
Representative
New York



GERALD H. CARSON
Copy Department
New York



R. L. HURST
President of Batten, Barton,
Durstine & Osborn Corpora-
tion of Illinois



RICHARD R. BLACKWELL
Copy Department
New York



GEORGE L. MATTHESON
Assistant Account
Representative
New York



CARL BURGER
Art Department
New York



W. G. MILLER
Assistant Account
Representative
New York



SARA H. TEALL
Assistant Account
Representative
New York



HARRY A. HOLLOWAY
Assistant Manager of
Accounting Department
New York

Advertising work has been variously described as a craft, a business, an art, an industry, a profession. All true—and all point to the same conclusion. It is an occupation where staff personnel is everything. The story of an agency is told in its men and women.

BATTEN, BARTON, DURSTINE & OSBORN

Incorporated
ADVERTISING

383 MADISON AVENUE • NEW YORK

CHICAGO
McCORMICK BUILDING

BOSTON
10 STATE STREET

BUFFALO
220 DELAWARE AVENUE

*Merchandised
in One
Medium*

Ordinary Channels of Distribution Failed

—and then, in nine months, the Eden Washer Corporation built up a franchised distributor organization in 42 states, while increased demand for their Edenette portable washing machine made it necessary to enlarge the factory. This was done by advertising in The Christian Science Monitor only.

Such is the story of Edenette and The Christian Science Monitor, which reads more like romance than fact to those familiar only with results obtained from advertising in the average newspaper.

Keep in mind, please, that previous merchandising efforts had resulted in successful distributors of allied products failing to put over the Edenette.

A Product that Retail for \$49.50 on Approval--and Not One Lost

THE Edenette is a small portable, electric washing machine retailing at \$49.50, adaptable to small family washings and pieces which the housewife hesitates to send to the laundry.

The object of the campaign in the Monitor was to obtain direct shipped-on-approval sales, and also salesmen and district sales representatives able to finance their own operations, including deferred payment sales. Test advertisements quickly indicated its feasibility.

Copy was designed to produce direct inquiries and at the same time interest salesmen distributors. Smaller copy was designed to get salesmen.

The machine was offered on a deferred payment basis, yet approximately 45% of direct sales made through the Monitor were cash (\$49.50) with order. Not one machine was lost.

In granting sales rights the company demanded a substantial cash investment in merchandise, with sizeable quotas under contract.

Monitor Advertising Increased Demand so that Larger Factory was Needed

WITHIN nine months, sales by mail had been made in every state; sales rights assigned in 42 states; 86 distributors secured from 981 inquiries; and 131 tie-in advertisements inserted in the Monitor by distributors.

The advertising agency wrote: "The results of advertising in The Christian Science Monitor have caused a demand for the goods so far in excess of the Edenette Company's estimated production requirements that they were compelled several weeks ago to increase their production facilities." The factory was enlarged.

Direct sales alone paid the cost of the campaign and yielded a profit, so that the establishing of the distributor organization was done virtually without cost.

The Christian Science Monitor

A DAILY NEWSPAPER FOR THE HOME
Published by The Christian Science Publishing Society, Boston, Massachusetts

BRANCH ADVERTISING OFFICES

NEW YORK—DETROIT—CHICAGO—ST. LOUIS—KANSAS CITY—SAN FRANCISCO
LOS ANGELES—SEATTLE—LONDON—PARIS—BERLIN—FLORENCE

Sales Management

The Weekly Magazine for Marketing Executives

VOLUME EIGHTEEN, NUMBER FIVE

NEW YORK, N. Y., MAY 4, 1929

A Precision-Geared Selling Plan Nationalizes a Local Business

BY W. D. CROOKS, JR.

Sales Manager, The Cromar Company
Williamsport, Pennsylvania

A FEW years ago, like hundreds of other manufacturers, we were doing a limited local business. Our company and our goods were unknown to perhaps 95 per cent of the building supply dealers in the United States and to practically all final potential users of our product. Today, we have country-wide distribution; "Cromar," an oak flooring which is completely finished—like furniture—at our factory, is known to many thousands of dealers, architects, builders and home owners, and we have been advertising nationally for more than a year.

In seven years we have grown from a small, unknown company to a nationally recognized manufacturing organization. We had a limited capital, and could not afford to experiment in merchandising. We had to be sure of our methods. It is generally thought that hardwood flooring is highly competitive and difficult to sell, and a few manufacturers have written us wanting to know how we did it. Their inquiries are significant, for we are convinced that principles we employed apply to the distribution of most commodities that are sold through wholesalers and retailers.

After studying the activities responsible for our progress, we have come to the conclusion that much of our success to date in the marketing end of our business is largely due to three major factors. While these factors



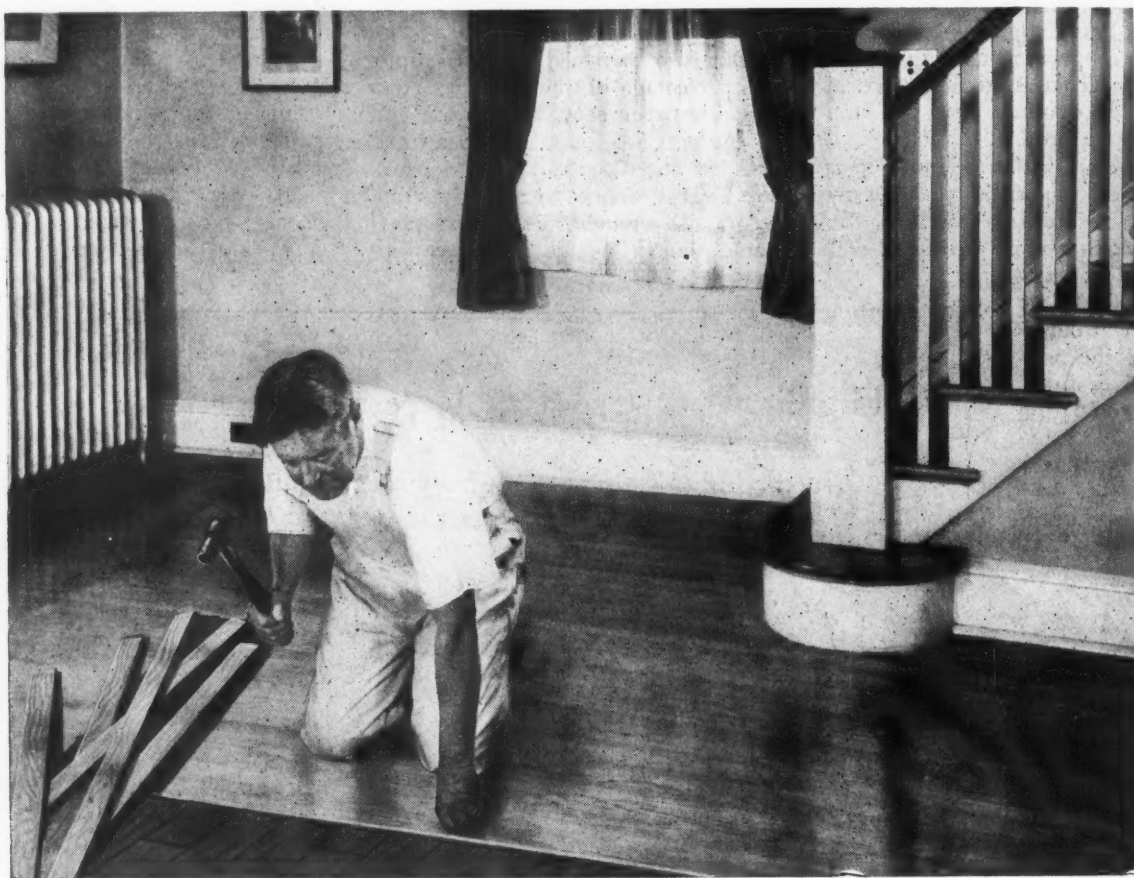
This year our copy is emphasizing the advantages of Cromar flooring for new buildings and we are going after this business with every confidence of success.

Can an unknown manufacturer of a worthy product, even though he starts on limited capital, develop his business to a national scale? Cromar's experience proves that he can. Even concerns that do not have a limited capital problem will find some valuable ideas in this company's sales plan, where every dollar had to work.

appear very simple, and some phases obvious, we observe they are ignored by manufacturers, and we believe the manufacturer who does not carefully consider them thereby multiplies his problems and hampers his growth.

The most important of the three factors we consider the relationship between our company and our dealers. Since 1922, when we really began to develop our business, we have assisted our dealers with all conventional merchandising aids applying to our products. We have also advertised rather liberally in various trade publications, thinking this work necessary in developing a business such as ours. But in building a business of this kind it is necessary to consider the dealer further, and there is no doubt in our minds that the most important phase of the relationship between manufacturer and dealer, whether the dealer be a wholesaler or retailer, is the establishment of absolute confidence on a basis of fairness.

Dealers in building materials, as well as in many other lines, have lost a great deal of trade because of the competition of their own shippers. Nothing is more discouraging to a wide-awake dealer than to find that a manufacturer, after selling him much or little stock, is sniping his actual or potential accounts with direct factory shipments. Early in our experience we decided, if we were to build a worth-while business, we must have a selling policy assuring uninterrupted distribution for our product. According to our findings, it is the interruptions and handicaps in the distributive channels which pile up costs for



Our product is easiest sold for the purpose of laying over old, soft-wood floors. . . . Therefore, so far as our first advertising was concerned it was best for us to forget about the market in new construction and concentrate our first effort on the relaying business.

manufacturers, and we believe nothing obstructs these channels as does the practice of competing with distributors.

We have no exclusive agency contracts or anything of the kind. We do not believe in them, and we have proved that they are not necessary. When the relationship between the manufacturer and the distributor is aboveboard, with the rights of both parties fully recognized, there is no need for a contract.

Except under very unusual circumstances, our initial sale is made to a dealer with the understanding that we will maintain limited selective distribution (note that I do not say an exclusive agency). In doing this we recognize the dealer's interests are our interests. Indeed, we feel that we are associated in business with him. And as long as he secures adequate volume for himself and for us we continue to cooperate with him to do everything possible to encourage and assist him. He can even earn and obtain an agency.

But when a dealer takes on our product merely to obtain what profit he can, without consistent effort to feature it, we look around for another connection. A distributor cannot ex-

pect to control a salable product without trying to develop his market. We do our part, and if he does not show enough interest to cooperate in building up his business on our product, we give our goods and our support to another dealer in his territory.

In building up a strong dealer organization, one of our hazards involved the adoption of stable prices. This, I understand, is keeping a good many manufacturers from entering into national advertising, whereas, as we see it, national advertising or sectional advertising can and should bring with it strong help in solving this problem. As in innumerable lines, the raw material prices for our product fluctuate considerably, and before we began to advertise this was thought to be a very great handicap in the development of our merchandising. When the price of the finished product is much affected by the market price of raw material, it is difficult to obtain uninterrupted distribution. With the tendency of prices downward, orders slow up and the warehouse is soon filled with finished stock, if the factory is kept running. When the market turns and buyers anticipate higher prices, sometimes it is impossible to fill orders.

The policy of our management has been to find a limited number of the very best sources of raw material and stick to them through fair weather and foul. In this way we not only profit by obtaining stocks best suited to our needs, but it becomes possible for us to contract over long periods and thus greatly minimize price changes which would otherwise swell our production costs.

We base prices to our trade strictly upon costs plus a fair profit. Never do we increase prices just because conditions temporarily permit. But constantly increasing volume effects savings in manufacturing costs and, expecting these increases, we early promised our dealers such savings would be passed along.

Many times, in print and through our salesmen, we have repeated this promise. With what result? Since 1921, while we have twice found it necessary to very slightly advance the price of one or two items, we have been able to reduce the price of our entire line eight times. Today our dealers are paying almost half its original price for Cromar flooring.

Few policies win dealer confidence and cooperation more promptly than a demonstration by the manufacturer

of the
tribu
savin
when
influ
will

T
vast
man
facts
be s
of
distr
are
tice
inste
the
cour
care
We
sellin
evil,
tice
indus
to h
Even
sell
resen
is in
prote
the
deale
passe
savin
are
have
uct e
have
entire
progr
inter
tribut
mind
we h
deale
upon
deper
The
invol
and
a d v
have
which
and e
this a
ing s
Bac
two t
000 f
first y
of th
select
antic
field.
news
we h
very
year's
that v
and s
the n

of the dealer's part in economical distribution. Pass along to the dealer the saving his cooperation has earned and when he understands how his practices influence distribution costs he too will lower the price.

The factor of dealer relationship is vastly more important than many manufacturers realize. When the facts are disclosed, we believe it will be shown that much of our present-day distribution troubles are due to the practice of selling direct, instead of offering the dealer every encouragement to take care of the business. We look upon direct selling as a necessary evil, and never practice it when we can induce a good dealer to handle our line. Even when we do sell direct in unrepresented markets, it is invariably at a protective price for the future Cromar dealer. We have passed along the savings the dealers are responsible for, have made our product easy to sell, and have planned our entire merchandising program with the interests of our distributors foremost in mind. As a result, we have a strong dealer organization upon which we can depend.

The second factor involves the control and development of advertising. We have advertised primarily in territories which we could cover economically and effectively, and we have increased this advertising to accompany expanding sales effort.

Back in 1922, when we had only two traveling salesmen, we spent \$15,000 for advertising, and that was our first year of real development. Part of the money went into a carefully selected list of national trade papers, anticipating future activities in a wider field. But most of it was invested in newspapers located in towns where we had established accounts. It was very little money to appropriate for a year's advertising; but we now believe that we could have started with less and shown profitable results because the newspaper advertising was placed

so as to create a demand which we could supply promptly.

Our two salesmen followed up a big percentage of the inquiries from the newspaper copy, and at the end of the year we found their sales had doubled our volume for the previous year. This was a highly satisfactory record, we thought, and it was profitable; but it would have been im-

paign of national consumer advertising, and results have proved the soundness of our conclusion. For 1928 we fixed an amount for advertising in the national field which is still small in comparison with many other national appropriations; but it marks a satisfactory rate of progress for us which we expect to keep up by increasing the amount in direct proportion to expanding returns.

The third factor, also applying to many lines, involves the cultivation of business offering the least resistance to sales effort until adequate distribution is secured, then developing into wider markets on that distribution. Our product is easiest sold for the purpose of laying over old, soft wood floors. It is also applicable to new constructions; but in developing this market some prejudice and traditions must be overcome. Therefore, so far as our advertising was concerned, it was best for us to forget about the market in new construction, and concentrate our first effort on the relaying business.

Consequently, in all previous advertising and our national campaign last year, we set forth advantages of Cromar flooring for re-

laying over old floors. The home-owning audience is much larger than the home-building audience, and although the appeal did not create the largest individual orders, it brought in a great many small ones of particular interest to our dealers, because every order had the tendency to create new business. For instance, Mrs. Jones would have a Cromar floor put down over the old pine floors in her home, and some of her friends would promptly look up the dealer to inquire about prices. New business, which cost the dealer little effort, naturally followed.

Now that we have a satisfactory business established, with wide distribution, we are focusing our advertising

Highlights of Cromar's Experience:

1. Succeeded in stabilizing prices in a market where there were wide fluctuations in the price of raw material.
2. A program of 100 per cent dealer cooperation enabled them to effect economies in distribution through which prices were lowered eight times in eight years.
3. Their first year's advertising appropriation was only \$15,000, yet they doubled sales on this investment.
4. By localizing newspaper advertising in the markets where they had established accounts, a large proportion of the inquiries was cashed.
5. A consistent program of trade paper advertising, tied up with an increasing volume of national advertising, has extended distribution even to remote territories.
6. Before beginning to advertise, 80 per cent of the output was shipped in lots of one or two thousand feet. Last year nearly 60 per cent of the output was delivered in carload lots.

possible had we spread our small appropriation over more ground.

Our trade paper advertising brought us inquiries from distributors in all parts of the country, and soon we found we had more or less active accounts in a great many states; but we considered this distribution too thin to justify national consumer advertising at that time. In 1923 we appropriated more money and began to build up our sales force. Each year thereafter we added new territory and increased our advertising appropriation, and adhered to our policy of using newspapers and direct mail as extensively as our sales effort warranted.

Later in 1927 we thought we had sufficient distribution to justify a cam-

(Continued on page 269)



A. A. Woodruff

Fairchild's Sales Contract and Discount Plan for Distributors

BY A. A. WOODRUFF

General Sales Manager, Fairchild Airplane Manufacturing Corporation, Farmingdale, Long Island

Giving distributors a direct financial interest in the success of their dealers, according to a progressive discount plan, is enabling this aircraft manufacturer to keep his territories out of the hands of torpid representation—a plan unique in the aircraft industry.

GOING back into the business of selling wings, in January, 1928, it was apparent to me the first thing to do was to find out what the potential buyer wanted in an airplane and what facilities Fairchild had to get the plane to the buyer. So I stowed myself and my luggage in a comfortable and fast Fairchild cabin plane and went flying from the Atlantic to the Pacific on a series of trips lasting until Decoration Day, which gave me a bird's-eye view of the market, magnified by closeups on the ground.

The Fairchild Airplane Manufacturing Corporation, headed by Sherman Mills Fairchild, at that time was producing only one model, a fine cabin monoplane, the now famous FC2, with a 200-horsepower Wright Whirlwind motor, selling for \$11,900. The plane was designed and built originally to meet certain definite demands of the exacting aerial photography and survey business in which Fairchild was a pioneer. Since there had been no plane on the open market to satisfy these demands, Fairchild had to build it for himself, with the aid of the best aircraft engineers. A product thus developed by a consumer to meet a consumer's needs almost inevitably will soon be in demand by other consumers. Fairchild presently discovered the plane's performance had created a market for it. He began to manufacture it commercially in 1927. On the market six months at the time I joined the staff, it already had a distinguished record in the United States, Canada and even in Latin-America, in government service, commercial transport, airmail, aerial survey and special purpose flying.

Yet it was obvious that no one plane, however good, could serve every purpose, and that the seven dealers in the United States, and one in Canada, could not distribute the needed production, especially since their sales equipment usually consisted in nothing more than a plane or two for demonstrations and a pad of telegraph blanks to order ships when the buyers laid down the cash.

Within the five months between New Year's and Decoration Day, we had established a branch in Chicago, set up distributors or key-point dealers, as we style them, in thirty cities as far west as St. Louis, had sold the \$200,000 worth of planes on hand at the factory January 1, as well as the whole factory production through July. Fairchild had meanwhile started building the present plant, trebling the manufacturing space of the first one, adding an engine factory, and providing a 130-acre flying field, giant hangar and eight splendid modern factory buildings. We were ready for the new program.

Our observations on that air tour of the United States led us to conclude that there are four general divisions of demand for civilian airplanes.

1. A training and sport plane, open-cockpit type, two or three-place, priced up to \$4,500, with an engine rating up to 100-horsepower.

2. A cabin plane of four or five places, for private use, for the use of business firms sending salesmen and executives across country, and, to a limited extent, for the use of aerial

transport operators on short and summary trips; a plane priced between \$7,500 and \$10,000.

3. A cabin plane of seven or eight places, for the commercial transport operator and air mail, and for private and corporation owners able to use a plane larger than the second classification; priced up to \$20,000.

These three classes are single-engine planes ranging up to 400-horsepower.

4. A multi-motor cabin plane, for aerial omnibus service, for a sight-seeing and in competition or connection with railroads on long hauls; price limited only by size and power.

Our program was laid out to supply the first three groups of demand. Actually, we were already meeting the requirements of the second classification. When the sales and the engineering departments got together and analyzed demand, the designing of planes to fill the first and third was begun.

The FC-class cabin monoplane with the 200-horsepower Whirlwind was redesigned and refined into the Fairchild 41; this was then modified to carry either 200- or 300-horsepower engines, at the buyer's option, since about seven in each ten inquiries wanted 300 horses on the nose. This modification is known as the Fairchild 41-A, and fills both the higher and lower power and price levels in the second group.

The third classification was filled by the Fairchild 71, a cabin monoplane for pilot and six passengers, with a 425-horsepower Pratt & Whitney Wasp motor, retailing for \$18,900 complete. Deliveries on this were be-



Fairchild's initial research revealed a market for a cabin plane of four or five places for the use of business firms sending salesmen and executives across country.

gun in January, 1929; it is selling faster than the factory can turn out the ships.

The low-wing monoplane, Fairchild 21, an open-cockpit two-seater for training and sport flying, selling at \$4,250, with 80-horsepower, fills the first classification.

It may be interesting to note here that in setting our program no definite price mark was specified. The engineers were not told, for instance, "Design a four-plane cabin monoplane which can sell for less than \$9,000." They were told to design the best ship of that capacity for 200- and 300-horsepower.

The fact that by quantity production the plane could be made to retail at less than \$9,000 with a 200-horsepower Whirlwind was a strong selling point, to be sure, but price is not the first consideration in buying aircraft. Few men are going to pinch pennies in picking a machine to which they are going to entrust their own and others' lives; they demand safety, strength, re-

liability, speed and power. On the other hand, every reduction in price through quantity production, without sacrifice of quality, brings the plane within reach of another economic stratum of potential owners and fliers, and the price factor cannot be ignored.

There is plenty of dealer interest in aircraft now. Many men realize the air is not only the highway of the future but of the present, soon a much-used highway. Few, however, know how to go about getting into airplane selling or the conditions under which airplane dealers do and will operate.

The first considerations, of course, are territories and discounts. Instead of slicing up the country according to state and country lines, for arbitrary boundaries mean nothing to a flier flitting around at approximately 100 miles an hour, the geographical limitations of older sales systems are ignored. There is no state-wide nor half-state distributor for Fairchild planes, and there isn't likely to be; there is no county dealer confined to

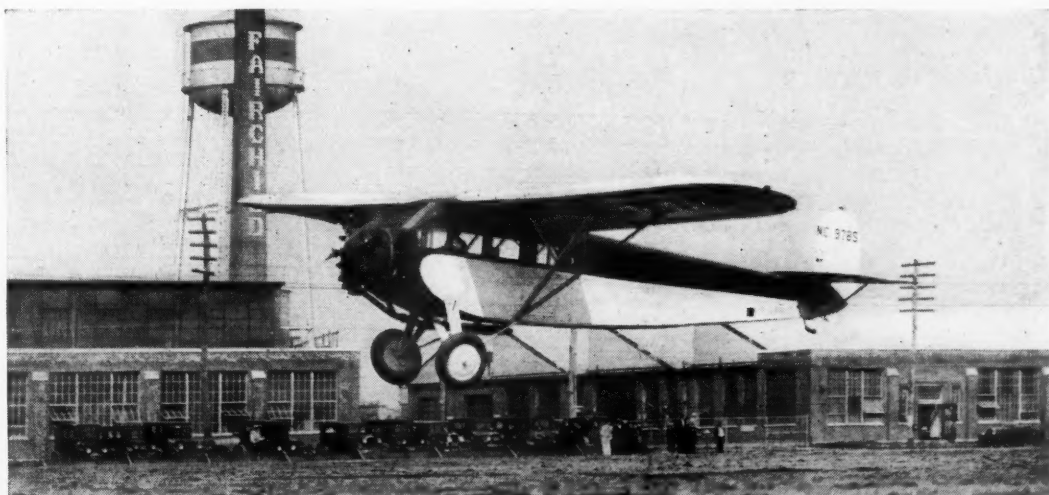
the jurisdiction of a single court house. Sales territory allotted may, on the other hand, naturally take in parts of two or three states around an aviation center.

A sales agreement and discount system has been worked out which keeps live territory out of the hands of torpid distributors and dealers and rewards each according to the skill he shows in organizing a sales force and getting results.

The Fairchild key-point dealer, who corresponds to the distributor in the automobile trade is allowed to solicit dealers wherever there is an aviation sales center in which another Fairchild distributor has not already enlisted one.

That dealer may appoint associate dealers, in turn, at any unoccupied points in the territory around his city, the logical centers being smaller cities which have flying fields serving a sufficient population to justify naming an associate dealer. Within reasonable limits, there is no hard and fast divi-

There is plenty of dealer interest in aircraft now, Mr. Woodruff says. (Right) A crowd of interested prospects watching a landing at Fairchild field.



sion of territory among distributors and dealers, although naturally our California distributors will not be crossing the Rockies to plant dealers nor would the Boston distributor be encouraged to encroach upon the natural territory of New York City.

With each distributor, each dealer and each associate dealer, the Fairchild sales department makes a separate agreement, but on each dealer's contract appears the name of the distributor who arranged his appointment, and the same applies to dealer and his associates so that proper credit can be given to all concerned on each plane sold.

The key-point distributor gets a discount on each plane, the rate increasing with each block of five planes and becoming retroactive on the sixth, eleventh, sixteenth and so on up to the fiftieth. By selling six planes he gets the "first five" discount on the five, the higher "five to ten" rate on the sixth and also a refund on the previous five, applied to reduce the net price of the sixth. Then, at the end of the sales agreement period, usually a year, the distributor gets a bonus discount based upon the number of planes sold by dealers he has appointed and by their associate dealers.

How the Discount Works

Thus if A, the key-point distributor, enlists B as a dealer and B signs up C as an associate dealer in neighboring territory, and A sells twenty planes, B sells ten and C sells five during the term of the sales contract, A gets the discount on his own twenty, plus a bonus covering the difference between that rate and the rate on thirty-five, making the twenty planes each cost him as little as though he had sold thirty-five in the year. B gets the rate on his own ten plus the bonus for his associate's five, so that each costs him net what it would if he had sold fifteen. C gets the straight discount on five. This works out as a direct cash reward for picking live dealers and associate dealers and makes the distributor directly interested in the success of his dealers and their associates and the dealer directly concerned in the success of his associate dealers.

After the pioneer pilot-operator, the strong and well-financed automobile distributor or dealer is a natural distributor for airplanes.

One fact appealing strongly to the automobile man is that there is no "used car" trade-in bogey in the aircraft market. With the experience of the motor car industry to warn us, we will fight steadily to keep it out. It will be something of a fight, for last year the demand for airplanes of reliable makes and licensed types exceeded produc-

tion. It was profitable to a dealer to take in good used ships on sales, and therefore tempting. I need only point out here that the used motor car trade was highly profitable during and for a couple of years after the War, until production in 1921 caught up with demand.

We are setting up our distributors and dealers with every facility we can devise for making it easy to conduct sales on a business basis, even supplying budget and bookkeeping systems.

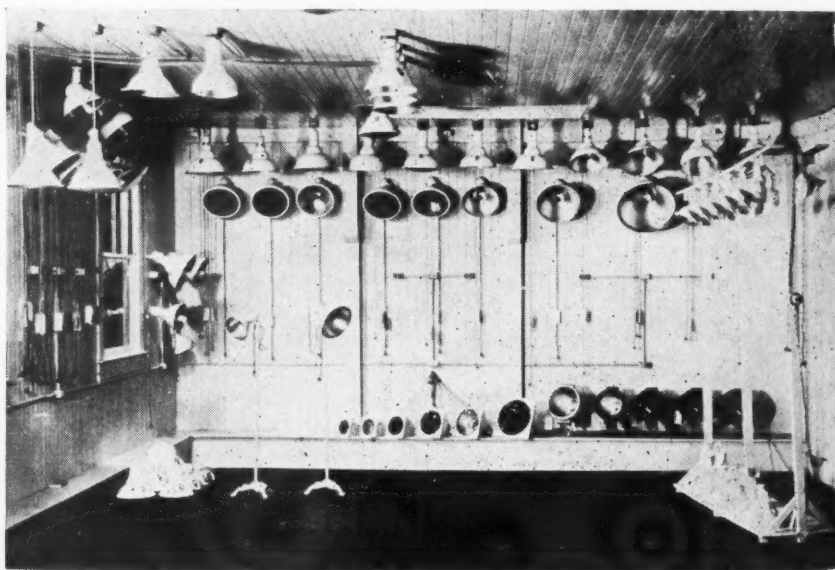
We are encouraging and helping dealers particularly in developing the fertile sales field of the corporation which employs high-salaried traveling executives, salesmen and demonstration crews and is interested in saving time and money in transporting them from point to point over a wide area.

In the matter of insurance, too, we are helping the dealer, arranging a group insurance which affords him a lower rate based upon the experience table of the Fairchild plane, instead of the general rate based upon accidents that happen to all planes and flying

contraptions, good, bad and indifferent. The general rate averages around 15 per cent a year on blanket coverage for dealers, so that the room for economy through group underwriting is self-evident.

The "no planes on hand" handicap of the live, but not yet well-financed dealer we are meeting with a "dealer floor plan" which will enable the Fairchild agent, by making a small investment and covering insurance and freight charges, to have sample planes of the full line of models in his hangar or on his sales floor.

To facilitate delivery during the rush season, which lasts from the end of May to the beginning of bad weather, and to keep the factory running on as even a production basis as possible, the year round, Fairchild is establishing storage depots at Chicago, Dallas and Los Angeles factory branches (these latter two recently), where planes, shipped by freight from Farmingdale, can be taken out of stock, assembled, retested by flight and flown to the buyer.



Unique Showroom Builds Sales for Reflectors

WILLIAM WUELKER maintains a most interesting and unique showroom in San Francisco for the display and demonstration of various reflectors manufactured by his company. The reflectors range from those for lamps of from 10 to 1,000 watts.

The room has been divided into sections, each containing a complete exhibit of all reflectors for that particular wattage lamp. Cords with convenience plugs, to which labels are attached, are provided for demon-

strating each reflector in the entire room individually.

One of the novel features of the showroom is a display rack for window-lighting units. The rack is made of wood and is on casters, so that it may be moved to any position.

If the prospect's window is 10 feet deep, the rack is moved 10 feet from a wall and the plug is connected and an actual demonstration of the amount of light which can be produced from the series of units can be given immediately.

a re
Uni
ecut
surv
T
stud
imp
by a
sequ
sign
expr
sciou
adve
origi
velop
write
Busin
ston
tion,
of qu
comm
wome
ing o
others
turned
trial
list i
gained
final r
herew
Wha
(a)
occupa
(f) m
state
1. D
lowers
Choice
Classifi
Newsp
Magazi
Billboa
Car Ca
Radio
Motion
Handbi
Mail
Talking

What Does the Consumer Think of Advertising?

WHAT does the consumer think of advertising? This was the question which formed the basis of a recent research made by Marquette University students. Marketing executives will find the results of the survey informative.

The point of view taken in this study was that it is difficult, if not impossible, to get worth-while results by asking a general question. Consequently, a series of questions designed to aid the consumer in expressing his conscious or unconscious opinion or attitude toward advertising was formulated. The original set of questions was developed by eight students in the writer's class in the Technique of Business Research (Robert A. Johnston College of Business Administration, Marquette University); the set of questions was then submitted to a committee of six advertising men and women, who revised the list by striking out some questions and adding others; the questionnaire was then returned to the class, which, after a few trial interviews, further revised the list in the light of the experience gained through the interviews. The final revised questionnaire is presented herewith:

What Does the Consumer Think of Advertising?
(a) Consumer interviewed (b) occupation (c) race or nationality (d) sex (e) age (f) married? (g) city (h) state
1. Do you think advertising raises or lowers prices of goods to the consumer?

BY J. F. PYLE

Dean, Robert A. Johnston College of Business Administration, Marquette University, Milwaukee, Wisconsin

What a relatively small number of individuals thinks of advertising may not give a reliable clue to the public mind on the subject. The public is made up of all sorts of people. What it thinks and feels in Maine may not be the same as what it thinks and feels in Florida. But the reaction of any group, large or small, is always worth noting, and for this reason this study of responses to questions about advertising should prove interesting to everyone concerned in sales promotion—all the more so because some of the answers are totally unexpected.

- 2. Does advertising tend to fix the price of the product to the consumer?
- 3. Which is the higher in price—advertised or unadvertised goods?
- 4. Which has the higher quality—advertised or unadvertised goods?
- 5. Does advertising (a) increase the cost of selling? (b) decrease the cost of selling?
- 6. Does advertising (a) increase the cost of production? (b) decrease the cost of production?
- 7. Does advertising make people work harder in order to get money to buy goods they see advertised?
- 7a. Is this good—bad—for the buyer?
- 8. Does advertising cause people to buy goods they could better do without?
- 8a. Is this good—bad—for the buyer?
- 9. Does advertising increase the profit of the advertiser?
- 9a. Is this good—bad—for the consumer?
- 10. Does advertising aid you in any way in buying?
- 10a. If so, how?
- 11. What kinds of advertising influence you most in buying? Rank first, second, third:
 - Newspaper
 - Magazine
 - Billboard
 - Car card
 - Radio
 - Motion picture
 - Handbills
 - Mail
 - Talking pictures

It will be noted that the question-

Table I. How Consumers Rated the Helpfulness of Mediums

Choice	—1—			—2—			—3—			—4—			—5—		
Classification	M.	W.	T.	M.	W.	T.	M.	W.	T.	M.	W.	T.	M.	W.	T.
Newspapers	89	55	144	54	10	64	17	6	23	10	1	11	5	0	5
Magazines	62	14	76	57	40	97	22	9	31	14	1	15	6	1	7
Billboards	6	2	8	26	4	30	40	13	53	30	17	47	16	2	18
Car Cards	0	0	0	1	4	5	20	10	30	13	7	20	24	0	24
Radio	5	2	7	12	8	20	20	9	29	31	9	40	16	12	28
Motion Picture	3	0	3	1	2	3	6	1	7	10	2	12	6	3	9
Handbills	5	2	7	12	2	14	15	7	22	10	3	13	12	7	19
Mail	11	1	12	15	1	16	33	13	46	12	6	18	25	12	37
Talking Pictures	1	0	1	0	0	0	3	2	5	0	2	2	2	2	4

naire has been so drawn up that the consumers interviewed may be classified according to occupation, race or nationality, sex, age, city, state, and whether married. It was thought that there was a possibility that these various classifications might indicate different opinions.

The questions from one to ten are perhaps self-explanatory. As the charge has been made by sellers, buyers and economists that advertising affects the retail price of merchandise, questions one, two, three, five, six and nine were inserted for the purpose of determining what effect the consumer thinks advertising has upon prices and profits.

Statements have been made to the effect that merchandise that is nationally advertised is of a higher quality than unadvertised; statements to the contrary have likewise been made. It was hoped that question four would indicate the consumer's opinion on this subject.

An attempt was made via question seven to determine whether the advertisers of the country have been so

successful in their work as to develop such a desire for their products as to cause people to put forth extra effort in order to satisfy the desire. If so, was this bad or good for the buyer? Question eight is along the same line as number seven. Is advertising so compelling as to cause people to make expenditures for goods that they cannot afford or for merchandise that does not have as much utility for them as some unadvertised goods? In other words, is advertising responsible for non-social and uneconomical buying? and if so, is this bad for the buyer?

Does advertising perform a service to the consumer, and if so, in what way? is the burden of question ten.

The purpose of question eleven is to indicate the mediums which carry the advertisements that the consumer had in mind while answering the questionnaire.

Each questionnaire was presented in person to approximately 300 consumers by an interviewer—one of the eight students. In some instances the interviewer read the questions to the consumer, in other cases the person

interviewed was given a copy of the questionnaire and wrote in his own answers. Quite a number of people would not venture an answer to all the questions. They would answer some questions, while with other questions they would reply that they did not know or did not wish to make a statement. Questions two and ten received the largest number of replies, while seven-a and nine-a received the fewest replies.

Three groups of people were interviewed, the freshmen and the juniors in the College of Business Administration, and another group made up of men and women connected in no way with an educational institution. The students interviewed came from both urban and rural districts, nine states and Canada being represented. There were both men and women in the student group, although the men outnumbered the women about ten to one. The non-student group equaled, approximately, the number of students, while the ratio of men to women was about two to one. The ratio of men to women for the combined groups is about four to one. The people answering the questions were seventeen years of age and above. Married and unmarried, coeds and housewives, city and country people are represented.

Tabulating the Results

The answers to each question were tabulated separately, due to the fact that all the people did not answer all the questions. The results are presented as percentages of the total number answering each question. (See Table II).

What do the results of this study indicate? An analysis of the tabulation of percentages given in Table II shows the differences and similarities between the opinions of the men and women; the likenesses and differences among the men and women who are non-students; the juniors and the freshmen. Column G presents the composite reaction to each question.

It may be of some value to go into more detail in pointing out the character of the reaction of some of the various groups to each question. If the reader will examine Column G he will note certain outstanding features. For instance, it is seen that the majority believe rather definitely that advertising tends to raise and to fix the price of the product advertised; that advertised goods are of a higher quality than unadvertised goods; that advertising increases the cost of selling but decreases the cost of production; that advertising causes people to work harder, in order to be able to buy

(Continued on page 263)

Table II. What the Consumer Thinks of Advertising

Question No.	A ¹ Per cent of total Juniors	B Per cent of total Freshmen	C Per cent of outside Men	D Per cent of outside Women	E Per cent of all Men	F Per cent of all Women	G Per cent of total interviewed
1. Raises	63.1	52.6	50.7	64.1	54.1	67.3	57.00
Lower	36.9	47.4	49.3	35.9	45.9	32.7	43.00
2. Yes	73.1	72.6	69.4	80.0	72.6	74.5	72.20
No	26.9	27.4	30.6	20.0	27.4	25.5	27.80
3. Advertised	53.8	53.3	52.2	64.1	52.5	64.0	54.90
Unadvertised	46.2	46.7	47.8	35.9	47.5	36.0	45.10
4. Advertised	87.5	78.2	92.2	84.6	86.7	83.7	86.00
Unadvertised	12.5	21.8	7.8	15.4	13.3	16.3	14.00
5. Increases	54.5	63.9	57.4	75.0	58.7	70.6	61.30
Decreases	45.5	36.1	42.6	25.0	41.3	29.4	38.70
6. Increases	31.0	48.1	57.6	33.3	46.7	33.3	43.70
Decreases	69.0	51.9	42.4	66.7	53.3	66.7	56.30
7. Yes	79.1	85.2	80.0	87.2	81.3	86.0	83.12
No	20.9	14.8	20.0	12.8	18.7	14.0	16.88
7a. Good	74.6	81.1	72.9	65.8	75.2	70.8	74.18
Bad	25.4	18.9	27.1	34.2	24.8	29.2	25.82
8. Yes	76.6	95.1	72.5	81.1	81.4	79.2	81.00
No	23.4	4.9	27.5	18.9	18.6	20.8	19.00
8a. Good	23.7	17.5	41.0	41.0	27.6	37.5	30.00
Bad	76.3	82.5	59.0	59.0	72.4	62.5	70.00
9. Yes	86.4	98.3	87.0	81.6	90.2	83.7	88.84
No	13.6	1.7	13.0	18.4	9.8	16.3	11.16
9a. Good	52.6	57.7	52.3	62.2	53.4	62.5	55.68
Bad	47.4	42.3	47.7	37.8	46.6	37.5	44.32
10. Yes	93.9	92.1	93.2	100.0	92.7	100.0	94.19
No	6.1	7.9	6.8	...	7.3	...	5.81

¹ Each column gives the percentage of the total number in each classification, e.g., juniors, freshmen, outside women, etc., that answered each question.

Fair Profit Policy Breaks National Market for Branded Fish

How the Atlantic Coast Fisheries spotted a market for a sea food specialty and developed it by Master Distributors.

BY FRANK W. BRYCE

*President, The Atlantic Coast Fisheries Corporation,
New York City.*

PROVIDING an adequate margin of profit for wholesaler and retailer and building a distribution organization of exclusive wholesale agents are the two major sales policies upon which we have successfully built a nation-wide business on our specialty product, Nordic Fillet of Haddock, slices of sea fish without waste, in three years' time.

After we had perfected a patented process for maintaining the quality and flavor of the fish in perfect condition we cast about to discover the most promising channels of distribution.

Our plans for distribution were based on two very simple economic principles: that a laborer is worthy of his hire and that the man who is rewarded in proportion to the results he produces is the man who works best. The possibility of establishing branch houses was eliminated by our belief in the second principle stated. A salaried manager, in our opinion, would not have sufficient control over the merchandise in his branch house, nor would he have proper incentive unless placed on a commission basis. If placed on a commission basis, with a control of the merchandise, consignment would be necessary and this in our opinion was too great an evil to consider.

With branch houses out of consideration, there was the possibility of

employing district sales managers and letting them locate offices over the nation, employing the necessary stenographic and clerical help, and engaging salesmen for missionary work. This plan entailed a fixed expense, which must be taken into regard in fixing the price of our merchandise. Likewise, we could not follow our principle of reward in proportion to service, and interest the right type of man in a new business without promising him compensation, which would reflect unfavorably in our prices and again defeat the principle that reward be strictly in proportion to results.

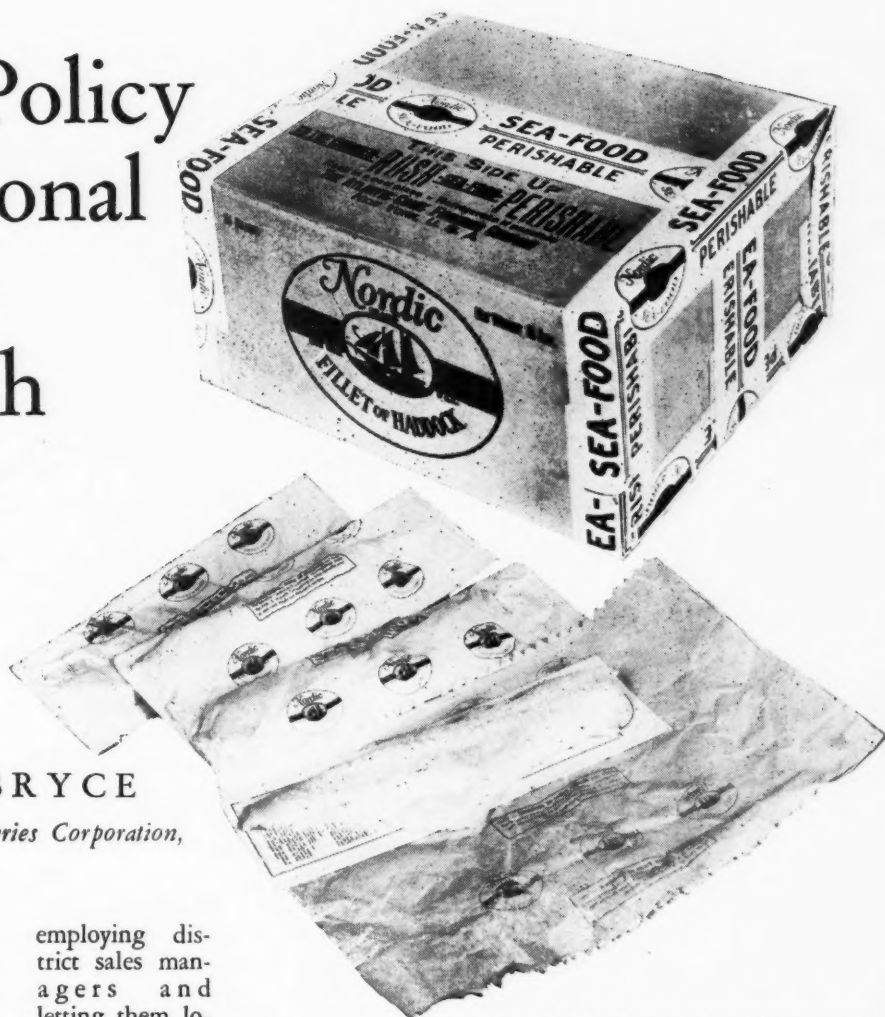
Our mind then turned to establishing what we call a Master Distributor system. We picked successful wholesalers of fish or other successful merchant organizations, properly managed and equipped, and with sufficient capital. We let these concerns become the manufacturer's representative and distributor at wholesale for certain broad areas of territory, giving each a sales quota on a per capita consumption basis for their territory.

We then figured the price on which we necessarily would sell our merchandise if we maintained a nation-wide sales organization, including certain of the sales promotion costs, which under our plan might be avoided.

Careful packing is an important factor in the sales plan of the Atlantic Coast Fisheries. The Nordic Fillet of Haddock, and the Haddiettes are mounted on pieces of cardboard, wrapped in waxed vegetable parchment paper, and then packed in asphalt-lined corrugated shipping cases.

ed. We then figured the costs of this sales organization, etc., and deducted it from our normal selling price. This latter established price became our price to our Master Distributors.

The Master Distributors largely had able executive heads, organizations and places of business, the cost of which was borne by a going business. They could, if they would, function for us without the heavy out-of-pocket expense that would occur in our maintaining a sales organization. We gave them the opportunity of building business on a volume commodity, which, with successful selling, with able merchandising, and with the passing on the benefit to sub-distributors of their own experience as distributors, bore the possibility of a very decent profit for themselves, after bearing their actual expense, and yet with their gross allowance only what would have



been our out-of-pocket expense, anyway.

Obviously, the Master Distributor was an exclusive distributor for his territory, and he in turn has appointed exclusive sub-distributors, whose territories are protected, very much as the machinery manufacturer or the successful automobile manufacturer is apt to protect the territories of his distributors. To the writer it seemed economically unsound that three salesmen should go down the street to call on twelve dealers when one salesman could have called on all twelve with the employment of much less aggregate time. It appeared unsound that three trucks should go into a community to make twelve deliveries when one truck could do the job.

Worth Developing

Further, if a distributor could be found who was a good merchant, and who had a good merchandising and selling organization, it would not be difficult to point out to him that the possibilities of the line warranted some expenditure of time and money in sales work and advertising in developing a business to the point where it would show him a satisfactory profit. He could proceed with security to do this, for he had the line exclusively in his territory, and he would not, the minute demand was created, have to sacrifice profit by lowering prices to compete with others who had not helped create or establish the business.

On the other hand, he could continue to sell that merchandise at a fair price, which would pay his out-of-pocket expense and return to him a reasonable profit for his investment and energy. Always there would be the margin required by the Master Distributor and the manufacturer to prevent his taking too great a profit. In handling food products, it is rarely practical economy to take too great a profit, for the attempt to do so defeats its purpose in resulting lack of sales volume, and invites the splitting up of the field until it becomes non-profitable, which in turn is not permanently of advantage to the social order.

As the plan is worked, the distributor does his own detail work and does his own merchandising and advertising work to secure distribution. The Master Distributor does the job of the district sales manager, assists in merchandising and is a real clearing house of ideas, has his money in the goods and he must look to each sub-distributor to pay him and to sell the goods if his profit is to continue.

When distribution seems to indicate that volume might be expanded by

advertising, then the advertising is done by a community of interest, in which the distributor, who is in business in his own territory, pays the major share, but the Master Distributor and the manufacturer participate. Along the line, certain merchandising helps, such as leaflets, window hangers, etc., are provided by the manufacturer and the Master Distributor.

As the building of a business out of the margin it provides develops profits with the proper safety factor, there may come gradual reductions in the price by the distributor. In due time will come gradual reduction in the margin required by the Master Distributor and the manufacturer, and the whole plan seemingly serves society soundly.

The chain stores buy directly from the distributors. As our goods require refrigeration at a temperature well below freezing, it is necessary for the distributor to take solid cartons, on which he must provide to pay storage. He makes the product known and creates demand. For these services which he renders he is entitled to a profit; in naming a price to chain stores he takes into consideration the quantity of merchandise they take, whether they pick it up in large lots, or require delivery from store to store, and allows to them a price which their service earns. After all, the chain store, like the wholesaler, manufacturer or independent retailer, is merely a servant of the public and as such his reward should be in fair proportion to the service actually given.

Changes in the sales, distribution and production policies of our company were brought about as a result of the reorganization of the company during the period of post-war deflation.

tion. Ira M. Cobe, a lawyer, became head of the new organization and is the present chairman of the board.

Mr. Cobe was impressed by the antiquated methods still employed in the fishing industry. In studying the consumption of fish he was astonished to learn that in sections no farther than 1,000 miles from the Atlantic seaboard it was as low as four and five pounds annually per capita. It was he who conceived the idea of processing and handling fresh fish in such a manner that it could be packaged and distributed over the entire country.

At the end of two years Harden F. Taylor, vice-president in charge of research, a former chief technologist of the U. S. Bureau of Fisheries, who had joined our organization, had perfected a rapid cold process, which preserved the natural flavors and juices of the fish we wished to market.

Preservation of the fish was obtained by freezing the cold-treated fish on clean aluminum plates in thirty-six minutes. After the problems of science and engineering were solved, those of packing arose.

The Nordic Fillet of Haddock and Haddiettes (the latter smoked boneless finnan haddie) as we named them, were mounted on a piece of cardboard, on which were printed directions for preparation in several ways, and which had been waxed on both sides after printing. The fillets were then wrapped in waxed vegetable parchment paper, impervious to water. They were packed in an asphalt-lined corrugated box, which held fifteen pounds.

The next problems to be met were those arising in the sales department. How those were met has already been told.

Pittsburgh Press Celebrates End of Institute's First Term

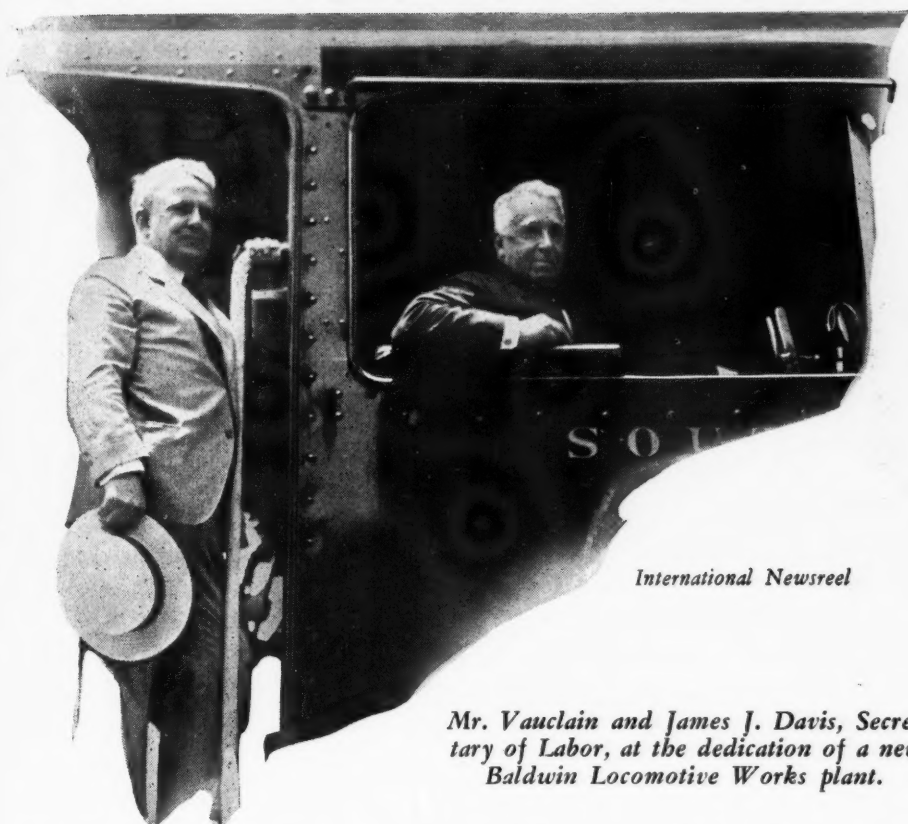
The Pittsburgh Press recently celebrated the completion of the first term of the Pittsburgh Retail Advertising Institute, founded by that paper during the late summer of 1928. According to Frank T. Carroll, advertising director of the Press, the institute was founded in the belief that "better advertising creates added business and that added business creates more advertising." Its purpose is "primarily the study of advertising principles, trends and practices related to retail distribution."

The course, directed by Charles W. Mears, dean of the Cleveland Advertising School and conductor of the

Mears Newspaper Advertising Study, consisted of twenty-four lectures by individuals prominent in their various fields. It was attended by nearly three hundred Pittsburgh advertising men and women.

Among the lecturers, in addition to Mr. Mears, were Robert Updegraff, S. A. Weissenburger, Amos Parrish, Julia Coburn, Jay Iglauer, R. O. Eastman, Mrs. Christine Frederick, Lee A. White, Fred Farrar, C. W. Hawley and John E. Finneran.

The success of the venture during its first term has decided the executives of the paper to continue the institute next year.



International Newsreel

Mr. Vauclain and James J. Davis, Secretary of Labor, at the dedication of a new Baldwin Locomotive Works plant.



Samuel M. Vauclain

How Sam Vauclain Goes After a Big Order

BY UTHAI VINCENT WILCOX

SUCCESS is just a matter of succeeding, says Samuel M. Vauclain, head of the Baldwin Locomotive Works, who may be assumed to know something about it after rising from a roundhouse apprentice to master builder of locomotives.

Getting the next thing well done and not bothering about tomorrow's problems is the first principle of his doctrine and he applies it to selling as well as to building.

The selling of Baldwin locomotives is world-wide. That too is a Vauclain achievement. Not a nation in the world possessing railroads lacks a Baldwin engine. It is one of the biggest selling organizations ever put together. And Mr. Vauclain, big in size—a generous six feet—invariably wearing a cutaway coat and a black bow tie, enjoys the reputation of being its prime salesman. Maybe that is somewhat unfair to the other salesmen, because his experience includes matters that could not possibly be known to the most expert of the selling forces. But allowing for this advantage, the head of the Baldwin organization is

the sort of man who sits down with a memorandum pad and computes the cost and delivery of a dozen locomotives while the committee waits.

He tells the story of one group that asked for a prompt bid on a number of locomotives badly needed, and he replied that some little time was needed to deliver an answer.

"How much?" asked the committee.

"Thirty minutes," answered Mr. Vauclain.

He has very definite ideas about this matter of selling, whether it be locomotives or safety razor blades.

"It is better to sell an engine or two instead of a dozen or a hundred," he explained. "This is particularly true in reference to new buyers, because they soon will need other engines, and being convinced that yours is the right product will easily buy again. And really the big orders are not hard to get. Delivery, price and engineering are the questions involved. We have few competitors. But when it comes to an engine or two, real salesmanship may be needed."

Mr. Vauclain then remembered. It was an incident typical of the Vau-

clain system of selling and worth recalling.

"I believe in pleasing customers," he began. "That really is one of our best maxims. But sometimes a customer may need instruction. There was the case of a road which had bought ten locomotives from us. After a time we received a letter from the operating vice-president in which he said that the engines were no good.

"Now I knew that the engines were excellent within themselves. It was an occasion to reach for your hat and go to see that customer. Before calling on him, I dropped in at his roundhouse and looked over the engines. Not one of them had been properly handled; all were in bad shape.

"A locomotive is something like a horse with us. We get to love the things. And seeing those engines so badly treated was enough to make any locomotive man mad clear through.

"So I went in to see the vice-president. He kept me waiting a long time and then received me with a glance intended to freeze. But I survived it and said to him:

(Continued on page 271)



Most store fixtures are either mahogany or circassian walnut; most walls, either white or cream-colored. . . . To have counter displays acceptable to quality stores they must harmonize with store backgrounds and display policies. (Photograph courtesy, The Rike-Kumler Company, Dayton, Ohio.)

What Manufacturers Should Know about Department Stores

BY MERLE HIGLEY

"SELL the buyer first." "Don't go over the buyer's head," are tried and true rules in the old-fashioned sales manual. Following these rules may require a long period of persistent perseverance before the first order is booked. But the other method of approach, selling a product to store owner or officer without the cooperation and consent of the buyer, still creates in most instances, a real, if concealed, sales resistance in the minds of the buyer and the department force who are generally loyal to the buyer's prejudices and enthusiasm. Their interest is essential for "repeat" orders as many a high-pressure sales manager has learned to his sorrow after booking an opening order from a much-desired account which the salesman on the territory had repeatedly failed to get from the buyer.

The president of a preeminent retail organization met the vice-president of a manufacturing concern which had

been unsuccessful in its efforts to sell its product to a buyer in this store. The merits of this product were so impressed on the retailer that he asked his buyer and merchandise manager to look at the line again, consider it favorably for an addition to stock and report to him. The buyer made an exhaustive report of the comparative merchandise values of this product with other brands retailing at the same price on which the store made a better profit and, which, specialized knowledge led to believe, gave satisfaction to the customer and therefore built better business for the department.

Regardless of the unfavorable report of buyer and merchandise manager, they were asked to install a stock, as the president had been led to believe that many customers had asked for this brand, the store losing sales because it did not carry the wanted merchandise. The manufacturer was jubilant over his success in getting his line in a quality store at last. He "told the

world" and used this sale in an attempt, to "high-pressure" executives of other important stores to stock his brand. He failed in every case because he added disparagement of the buyer to the story of his success.

The store had a rigid policy against advertising a brand name which the president had not seen fit to make an exception to in this instance. The manufacturer did no local advertising of his brand directing prospective customers to this department store because he sold its competitors and also had his own retail shop. The customers asking for this brand in the department were largely persons indirectly connected with the manufacturer. The salespeople showed the customer what was asked for if it was in stock, at the same time showing the store brand which obviously was better value at the same price. The president would never criticize a buyer for this practice, because the store made a better profit on its store brand and the store had spent money advertising it.

Did the brand sell? Did the salesgirls push it? Did the manufacturer

get "repeat" business? No, because it was put in over the buyer's head. And what did it cost the manufacturer to get this account? Thousands and thousands of dollars of selling time spent in waiting for the buyer, telephoning the buyer, conferring with the buyer after her sales resistance had been increased. Was the publicity worth it. No, because it was destructive. All the trade knew that the buyer said, "Yes, we put the line in but it didn't sell. It's not what the customers of our store want."

Today, the overwhelming influence that fashion plays in the merchandising of every article sold in the modern department store has added a new chapter to the sales manual—how to use style in selling. Three years ago, sales managers were satisfied with opening of new accounts, followed up by a monthly, bimonthly or weekly call of the salesman when he showed new samples, explained a new stock control system or a mail order blank. Occasionally, he talked to the salespeople in the department after the store closed, giving them special manufacturing information about a new style or material which was being added to their stock. The buyer was "sold," kept in a cordial and friendly mood by the salesman and entertained by the house on trips to market.

Must Sell More than Buyer

By grace of this, national advertising and the natural course of human events, the manufacturer's product was sold by the retailer, chiefly because it was on his shelves and his salespeople were more or less disposed to show it to their customers. Due to the intense competition added by the style element in retailing, the manufacturer has taken only the first and easiest step in selling his product when he has sold the buyer and his stock is in the department. If his product is to be featured prominently in competition with other brands in the department and acquire prestige with buyers for other departments so they will welcome its display with their merchandise in windows and cases, the manufacturer must help the buyer sell other buyers in related departments and the promotion executives who help the buyer tell store patrons the fashion story of the merchandise.

Neither the buyer or merchandise manager have the time, undivided interest or information to give them the complete selling story of any line or brand. Every salesman should constantly seek to develop contacts through the buyer with other buyers, the stylist, the advertising manager, the display manager and educational

director and supply them, directly and by mail, with fashion news and selling ideas about his product.

Merchandise information and fashion news about a product will be used by the educational director. Many stores doing an annual volume of \$5,000,000 and less have an educational director, but no stylist. The chief task is to teach store system to incoming employees and conduct classes in salesmanship in which salespeople are instructed in the selling features, both structural and style, of the merchandise of various departments. Bona fide educational information—not advertising claims or assertions—about any product will reach store salespeople through this department and they, in turn, will tell the story

Volume Indices for Sales Management

For the convenience of sales executives and companies maintaining a complete file of Sales Management, extra copies of the quarterly volume indices are printed. Subscribers wishing to receive copies of the volume index regularly should send in a request for this service. These indices are printed on sheets of proper size to be bound with the magazines themselves.

to their customers. In larger department stores, where the stylist disseminates fashion information to the store force, the educational director frequently conducts classes on subjects such as: "Silk and Its Uses," "Wool and Its Uses," "Leather," etc., giving the history and trade story of materials and the construction and quality features of store merchandise which interest the intelligent discriminating woman customer today and help "close" sales.

Faced with the daily task of writing selling and prestige copy about hundreds of different lines carried in the modern store, advertising managers and copywriters will frequently quote verbatim timely and authoritative merchandise information received from manufacturers of acknowledged reputation. Some stores will conduct cooperative advertising campaigns with

manufacturers on a fifty-fifty basis and schedule agreed to by both advertising managers. Many stores, however, have a rigid policy precluding cooperative advertising arrangements or any mention of brand names, the appropriation being spent on publicity, newspaper or direct mail advertising used to impress the store name and no other on the public.

If this policy prevails, it becomes more necessary to utilize every opportunity to supply the advertising department with special news and feature ideas about a product distinguishing it from the competitors'. Tell the story of exclusive constructions, weaves, designs. Tell fashion reasons for the exclusive trade and color names which you feature in your national advertising. They can use this in their copy and the alert reader will identify the merchandise featured with the nationally advertised brand which has intrigued her interest, go into the store to look at the article and the salesgirl should be able to close the sale.

Getting Window Display

Just as the object of advertising is to bring customers into the store where salesgirls can exchange merchandise for money, so store windows are planned to bring customers into departments to ask for merchandise shown. Even small stores doing \$2,000,000 annual volume have display managers who are responsible for the arrangement of all merchandise shown in windows and interior cases. If a manufacturer has certain features of his product which he wishes to call to the attention of the public, his salesmen should gain the cooperation and interest of the display manager so his merchandise may be most advantageously displayed. Sometimes there is friction between buyer and window trimmer because of damage done to merchandise used in windows, on which the buyer does not want to take a loss with the result that the window trimmer features some merchandise under protest. The manufacturer's salesman can make adjustment frequently so that his product is displayed as often and advantageously as possible.

Many retailers with policies prohibiting the use of branded names in advertising have similarly strict rules about the type of display material, counter cards and posters, which can be shown in their stores. These are better quality stores, doing the large volume business of the country. Many manufacturers waste thousands of dollars annually sending these stores publicity and advertising material so or-

nate in appearance, crude in color and poor in type, copy and illustration that no quality store would permit its display. Into the waste paper basket it goes, and along with it the respect of the store executive for the quality and prestige pretensions of the manufacturer. His product may have both, but his dealer helps libel the fact and destroy interest of the retailer who will feature some other brand whose publicity is consistent with the standard maintained by the product.

Such obvious facts as the color of fixtures and walls in retail stores which serve as backgrounds for all display material seem to be ignored utterly in preparing counter and display cards. Everyone knows that most store fixtures are either mahogany or circassian walnut finish. Everyone knows that most store walls are either white or cream-colored. Knowing this, what manufacturer could expect any piece goods department to display a large poster, raspberry pink, with French blue printing at the top, on which background was to be shown fabrics colored yellow-brown, russet, copper, royal blue, wine and purple.

Changed to Harmonize

Yet such a color scheme was submitted by the art department of the manufacturer's agency. Fortunately for the budget and promotion campaign of the manufacturers, one of his executives with department store experience revised the color scheme and the poster was produced in a neutral cream tint with dark brown printing harmonizing with store fixtures and fabric colors. And many stores refusing to feature this brand in their advertising or display its counter cards in their departments, used this poster on which the brand name appeared because in appearance it was consistent with store display policies.

The department and executive offering the manufacturer the greatest potential cooperation in merchandising his product—the style bureau and stylist or fashion counselor—is most misunderstood, misrepresented and maligned. The manufacturer failing to sell a store with a stylist blames her, not his poor salesmanship or his indifferent or badly styled product.

The actual fashion merchandising experience of manufacturers who have been most successful in selling the best and biggest stores from coast to coast proves that it is most "important, necessary and desirable to include the stylists on your mailing lists to receive announcements and sales promotion material." In an address before the sales promotion division and merchandise managers group at the

annual convention of the National Retail Dry Goods Convention recently, Mr. Everett of Chamberlin, Johnson, Du Bose Company, of Atlanta, Georgia, discussed "What the Sales Promotion Director Expects of the Stylist."

"This discussion of my own experience with a stylist of women's wear and accessories would not follow this autobiographic method if the stylists results had not been singularly successful," he said. "She makes periodic trips through New York stores and wholesale houses, either with or without store buyers, and at weekly buyers' meetings she outlines the fashion story of the latest complete costume . . . In this way, she makes clear the necessity for each buyer to coordinate her buying plans with such other departments' plans as fashion-rightness dictates.

"From time to time, the stylist talks to sales clerks on the fashion-rightness of the merchandise in stock, which it is the clerk's job to sell. The stylist works very closely with the advertising department . . . Advertising to be effective must be brimful of fashion facts, and it is the stylist's job to see that copy writers receive authentic information.

"The stylist is now as necessary to

this store and, I believe to any modern store, as the merchandise manager. Merchandise is sold on style. So complex are the problems of fashion that the alert, alive store must have some one to collect and collate, disseminate and interpret, the fashion facts upon which to base right buying and profitable selling."

Several manufacturers engaged in aggressive fashion merchandising of their products constantly supply the stylist in this store with sales and style promotion information about their products. Last fall, after receiving a bulletin announcing fall colors, the Sunday advertisement on the society page of the local newspaper copied direct from the manufacturer's bulletin. The buyer welcomes her help in promoting the fashion features of her merchandising which increases the sales in her department and, of course, those of the manufacturer.

No manufacturer has completed his sale until his product has reached the consumer. The retailer distributes his goods for him, is his selling agent with his customer, exchanges his merchandise for money. The manufacturer ambitious to succeed in developing his business in the next few years will cooperate with the retailer, not curse him.

Establishes "Jury of Salesmen" to Settle Problems

A SAN FRANCISCO sales manager has evolved a practical plan for settling all disputes between his salesmen, as well as all other problems pertaining to sales' policy.

He calls it a Jury of Salesmen. "Court is usually held on Saturday, with the manager officiating as judge, attorney for complaint and defense, and sergeant-at-arms.

Seven salesmen are in his employ, enough to form a sizable jury. Once in a while the president of the firm attends this tribunal as a spectator.

At these sessions, many questions are discussed, thrashed out and decided by the salesmen themselves. Recently, for example, a competitor started a price-cutting campaign on a certain product which threatened the sales of this organization. The competitor was duly tried by the "court," and various reprisals considered. Some for the salesmen were in favor of drastic cuts, but, as attorney for the absent competitor, the sales manager pleaded that the other firm be placed on thirty days probation. The jury agreed.

Before the month had expired the competitor, aware that he had secured very little extra business, abandoned his price-cutting tactics. Had the jury decided to retaliate by further reductions it is an open question as to how far the "war" would have progressed, how much it would have cost in profits, salesmen's commissions and aggravation.

On another occasion one of the salesmen thought he was being discriminated against in his territory. The matter was submitted to the jury, the various territories explained and the salesman not only won his case but was assigned more territory.

Among other matters brought up for discussion and settlement are: "Should we, or should we not, carry other lines?" "What is the best sales contest to adopt?" "Are our prices on certain items too low, or too high?"

In thus adjudicating all disputes and discussing all phases of sales policies the salesmen take a keener interest in their work and the operation of their firm. The Jury of Salesmen is a successful institution.



Following the same policy used in domestic markets, The Monroe Calculating Machine Company supplies foreign distributors and dealers with a large amount of educational material (prepared in the native language) to show prospects better methods of handling business figures. (Above) A battery of machines in a business house in Japan.

Why Monroe Designed a Special Model for Export Markets

As told to W. F. Mayers

BY A. S. THOMAS

Foreign Sales Manager, Monroe Calculating Machine Company, Orange, New Jersey

ONE feature the Monroe Calculating Machine Company met in competition in the foreign field was the difference in size between Monroe machines and some of those manufactured in foreign countries. The smaller size of a few foreign-made machines gave them certain advantages, although in all other respects the Monroe was superior if the steadily increasing volume of business is true evidence.

To meet this angle of competition the Monroe research department developed the new Executive Monroe, which has recently been placed on the market. The entire machine weighs only seven and one-half pounds and the dimensions are such that the machine may readily be kept in the upper drawer of an ordinary office desk.

Notwithstanding the small size of the machine, it has a regular standard keyboard like all other Monroe models—a very important feature not present

in other types of small machines. In this way, competition in the foreign field has been met by giving the foreign user exactly what he desired in size and with many additional features. From reports already received from abroad it is apparent that sales of the Executive model will be very large.

So successful has been our experience in adapting domestic sales and service policies to European fields that the same methods are being adapted for Central and South America, with a supervisor of sales from the home office regularly traveling through the Latin American countries.

The best proof of the value of the Monroe policy is shown by actual sales figures from the foreign field. There are now Monroe agencies in nearly every country in the field, and from 1926 to 1927 the overseas business increased 25 per cent over that of the

previous year, while during 1928 the increase jumped to 30 per cent over the preceding year, approximately paralleling the growth of business in the domestic field.

We are satisfied that our foreign business can be increased directly in proportion to the cooperation we extend to our distributors and users. We look to the future to show an even greater proportionate prosperity than have the successful first ten years of our foreign experience.

In introducing a product entirely new to the foreign field, the problem is primarily an educational one. On the other hand, where the product of the American manufacturer, as in the case of calculating machines, is one which will meet with competition, and with what might be termed "native" prejudice, the problem will be easier in some respects and more difficult in others, and can only be solved by experimentation and experience.

The Monroe Calculating Machine Company, six years after it was founded, made definite steps to enter the foreign field aggressively.

Europe was chosen as the first field and the company was fully aware it would meet strong competition, as

calculating machines of many types had been manufactured and sold abroad for many years. The problem of the Monroe company was to find a method which, from the first, would be profitable both to the company and to prospective distributors.

After considering various ways of launching its foreign campaign, the company decided to carry out the same policy of personal contact and service in the overseas field which had been found so satisfactory in the United States.

During the three years from 1919 to 1922 a large number of distributors were appointed by a representative from the home office. He first satisfied himself that proposed distributors not only had the necessary sales and service personnel, but also the necessary capital for handling the exclusive distribution of a high-grade specialty properly. To carry out the same policy and personal contact as in the domestic field, a representative of the company was centrally located, in order to maintain close contact with these distributors.

Sales Director in London

At first machines were not shipped on credit and this rather "hard-boiled" procedure was followed until the appointment in 1922 of a sales director with headquarters in London. The duties of this sales director combine that of a supervisor of sales, investigator and a contact man between the company and its European distributors. He is also constantly looking for suitable distributors in open territories. In short, he carries on investigations formerly conducted by a representative from the home office.

After establishing this personal-contact system, the solution of the problem of extending credit to distributors became easier. This was particularly important, as it was decided to adopt overseas the same "trial" method of selling already successful in the United States, which requires carrying comparatively large stocks of machines by distributors on liberal arrangements. By the trial method machines are placed in the offices of prospects to prove their advantages on the actual figure work before the sale is made. The percentage of sales from trials has conclusively proven the value of the system.

In view of the assistance given in this way to distributors, they themselves are obliged to bear the expense of local advertising, in which, however, the Monroe company cooperates by supplying them cuts and sugges-

tions for copy. It also provides distributors with direct mail material.

In educating distributors and their salesmen to handle Monroe adding-calculators to the best advantage, again a page was taken from practices in the domestic field. The sales force in the United States is continually being sent educational material covering scores of different types of figure work found in the business world with the application of the Monroe to such work. By this method the salesman is able to show prospects the best means of handling figures in their offices. As an aid to foreign distributors, this educational matter is

translated at Orange and sent abroad as it is sent out to the sales force in the United States.

For servicing, a completely illustrated manual giving every detail of the construction of a Monroe machine has been printed, and with the aid of this and special training, service men can readily make adjustments and repairs. It is a common practice for a foreign distributor to send his head mechanic to the Monroe factory for a thorough course in the construction and repair. In this way the company is able to render its overseas users the same thorough service given users in the United States.

Hope to Oust Uncle Sam as Envelope Printing Competitor

BY WALDON FAWCETT

HOPING for a break in committee lineup in the new Congress, publishers and printers will continue their fight to eliminate Uncle Sam as a competitor in commercial envelope printing.

Hoover has long been an advocate of the principle that the Government should not compete with private enterprise, and he mentioned competition with printers in several of his campaign addresses.

The fight dates back a number of years. Some objectors would like to remove the Government entirely from the stamped envelope business. Realizing this is hopeless, a majority have concentrated on a drive to end Government arrangements with its envelope contractors to print special return cards at a nominal price in the upper left-hand corner of the envelopes.

There was a joint campaign to persuade Congress to curtail the envelope production of the Post Office Department. The National Editorial Association, embracing small printers and publishers, feeling the loss of the orders, was backed up by a national envelope manufacturers' association. Government circle criticism was that the envelope producers were actuated by selfish motives. Consequently, the envelope manufacturers have withdrawn and the fight in the new Congress will be made by the editorial association's legislative committee, with J. C. Brimblecom as chairman.

The determination of the publishers' and printers' bloc may be judged by the fact that the rebellion survives in the face of two maneuvers, each designed as an insurmountable difficulty.

The first was made when the Post Office Department, in spite of this issue, entered into a four-year contract for envelope manufacturing and printing. This contract blasted hopes that Uncle Sam would withdraw from the envelope business, even if Congress said the word.

The second move was based on the assumption that the dissatisfaction arose from alleged use of the Government's confidential list of envelope users for propaganda favoring the printing contractor. To remove the stigma of the private contract, Senator Moses, chairman of the Senate Committee on Post Offices and Post Roads, introduced a resolution to transfer the entire envelope manufacturing and printing activity to the Government Printing Office.

Organized printers and publishers would not oppose this plan if Congress should favor it. The Government plant took over post card manufacture a number of years ago. The plan is to tack a proviso to any enabling act prohibiting Governmental printing of special addresses.

The entire campaign is to forestall any possibility of printing service expansion. With the necessity for special air-mail envelopes, the introduction of new "business reply" cards and envelopes, printers fear the Post Office Department will become ambitious. This explains the effort of Senator Oddie of Nebraska to secure legislation providing that envelopes manufactured by the Government shall not contain "any lithographing, engraving, printing or advertisement except a request to return printed in the upper left corner of the envelope."



He wondered
if he was just
unlucky!

Months of hard work getting the new catalog together, painstaking care in preparing illustrations, buying engravings, writing copy, choosing cover stock; and then, after mailing—disappointing returns.

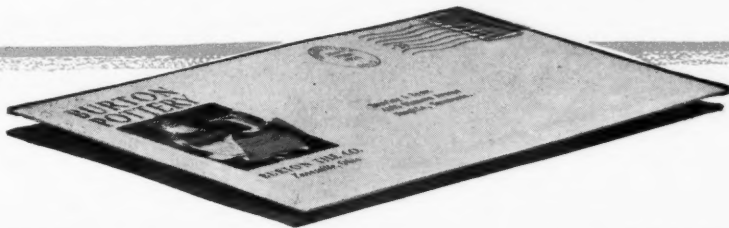
Like many another advertising man, he wondered if he was unlucky. No, it wasn't luck. It was *oversight*. The catalog never had a fair chance to make good. The *poor impression* created in prospects' and customers' minds was because of the shoddy, unimpressive envelope in which it

arrived. It was stopped before it got started—another good catalog gone wrong.

Here's a lesson for those who will heed it—give *your* catalogs a chance to make good—*insure* their favorable reception by planning and buying the Envelope *as a part of the job*. If you "doll up" your catalog cover with beautiful design, then dress up your envelope—the latter is more essential than the former. Remember that before your enclosure speaks a word, your Envelope has spoken.

GOOD ENVELOPES

ARE JUST GOOD BUSINESS



BUREAU OF ENVELOPE MANUFACTURERS OF AMERICA, 19 WEST FORTY-FOURTH STREET, NEW YORK CITY

© 1929 B.E.M.A.

A New Account Contest that Heads Off Credit Squabbles



Salesmen were supplied with Dun's rating book, which enabled them to determine the rating of a store before trying to sell it.

A NEW account contest for salesmen which has proved 100 per cent more effective than the ordinary type of new account contests has just been completed by Hewes & Potter, Inc., Boston, Massachusetts, makers of Spur ties.

During the two months' duration of the contest 500 new accounts were entered on the books of the company. This number of new accounts in two months' time may not seem large to some readers, but when one considers that distribution, prior to this contest, was getting fairly close to the saturation point (insofar as well-rated stores were concerned), this represents an excellent showing.

"This contest follows a somewhat new idea," says J. K. Macneill, sales manager, "inasmuch as it directed the salesmen's efforts entirely to the better-rated accounts. We accepted nothing below second-grade credit, and even with first-grade credit, scaled

the points down so that reward for very good stores was exceptionally high and poorer ones very low.

"The new accounts gave us an average initial order of between \$30 and \$40. According to our sales records, an average account with us will purchase between \$200 and \$300 a year, therefore the reasonable expectation from these new accounts should be over \$100,000. The direct expense of prize money was less than \$1,000, making our direct additional cost of obtaining these new accounts less than one per cent."

Each salesman filled out a slip for each new account he opened, entering the entire information about the account, including its classification, its rating, number of points claimed, total volume of order, date and salesman's name. Half the prize money was sent to the salesmen's wives.

"We have always had the idea," said Mr. Macneill, "that salesmen

Hewes & Potter open 500 new retail outlets through competition in which salesmen are awarded points toward prize money on a basis of the dealer's credit rating. Here is an idea that can be used profitably by almost any concern selling its goods through retailers.

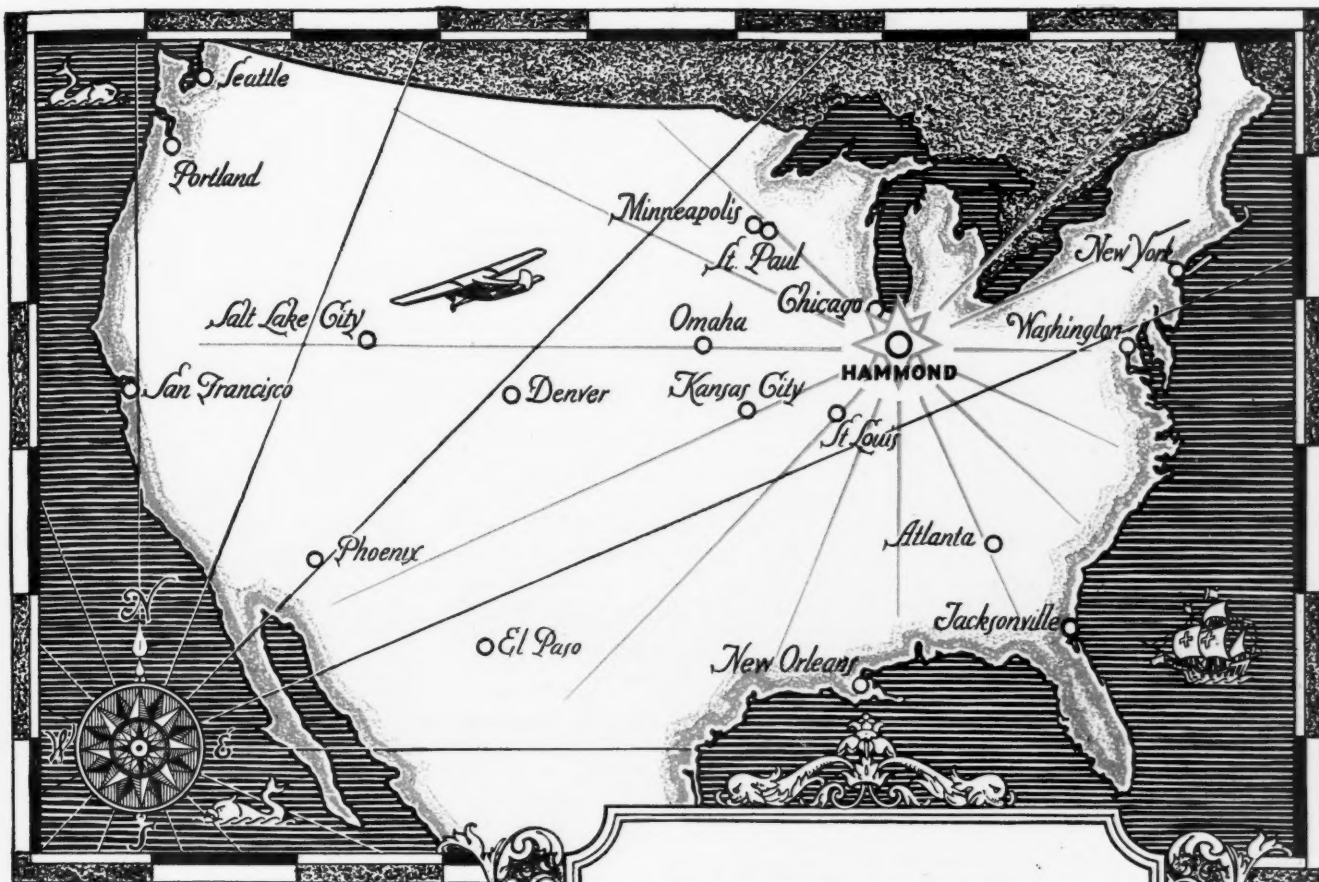
BY C. E. PELLISSIER

waste much time in retail stores selling merchandise which ultimately is not shipped, or, if shipped, is not paid for. Therefore, our effort has been in guiding the salesman to stores of good credit rating. Once a year Hewes & Potter salesmen are supplied with a copy of the new Dun rating book for their territory. This enables them to determine the rating of a store before they enter it.

"Naturally, a contest of this nature will penalize, to a certain extent, the ability of the good salesman who has opened his territory up to the saturation point prior to the contest. On the other hand, the purpose of the contest was not to reward these fellows, who get their reward in commissions. It was to encourage those who did not have such good distribution. The only way to get it is to get new accounts. It is noticeable, however, that men regularly at the top of the sales record were by no means at the bottom of the new account standing. No matter how well they have done in their territory, there are always stores they can open up if the incentive is provided.

"In our opinion, this type of contest is 100 per cent more effective than the ordinary new account contest in which no particular type of store is aimed at," pointed out Mr. Macneill. "We ran one of those two years ago and had nearly 2,000 new accounts submitted to us, of which we O.K.'ed only half. The salesmen just cut loose and opened everything they had the slightest suspicion would pass by the credit department. In this way they

(Continued on page 268)



CONKEY
*is right in the
 Center of things*



THE W. B. Conkey Company not only offers a highly efficient organization for the economical production of catalogs, but is also strategically located for the fast forwarding of this material to any point in the United States.

Located on the Belt Line connecting with clearing yards tapped by all lines leading out of Chicago, this company has direct service with ten major railroads passing through the Northern Indiana District. Many L. C. L. shipments are forwarded in consolidated cars, in which the shipment is not broken until reaching its destination.

With these arteries of quick traffic available, this company is in a position to offer a complete and unexcelled catalog service embracing every operation from preliminary typesetting to final delivery at the consignee's door. These splendid shipping facilities are one of the factors which make the W. B. Conkey Company the logical source of supply for hard-bound business literature. For, in this enormous plant every branch of hard-bound book production is carried on under one roof and on one floor. Economies, speed, and efficiency are thus

promoted. This company is generously equipped with the practical knowledge, mechanical equipment, big-scale production methods, and modern cost-control systems which are essential for low-cost manufacture of catalogs in large and small capacities.

Write for our "Customer's Helpful Specification Form", which will enable us to assist you in the development of a catalog best suited to your individual needs. Also, ask for a free copy of "What a Business Man Should Know About Printing and Book Binding" . . . It is a valuable treatise which should be in every executive's library.

W. B. CONKEY CO.

Printers, Binders and Book Manufacturers

HAMMOND INDIANA
 BRANCH OFFICES IN CHICAGO & NEW YORK



Nicholson Digs Up Human Interest Angles on a Drab Product

BY A. L. WHITE

ONE of the companies which has become most convincingly converted to a policy of research as a basis for its advertising campaigns is the Nicholson File Company. Of course, for many years this company used space in the hardware trade papers as a medium for keeping its name and product before users of files, but it did not adopt an aggressive program of advertising until shortly after the war, when it decided to make a strenuous effort to create new markets and to expand old ones.

Nothing to Say

"You can't advertise files. There is nothing interesting to say about them," the company was told. Despite this pessimistic advice, the Nicholson File Company decided to see what good advertising could do. It did not go at the matter blindly or in haste. As a first step, it tested the efficacy of advertisements for files in a small way in its own home city, Providence, Rhode Island. It secured display space in the local newspapers and set forth various timely uses for files. The result was a greater interest among dealers and an increased demand for files in the vicinity of Providence.

With such gratifying returns on a small scale of publicity, the company decided to branch out into a big campaign of national advertising. Before engaging one inch of space, however, or writing one line of copy, it launched a nation-wide survey to ascertain the best markets, the number and classes of people who were using files and the various purposes for which they used them.

The survey was carried on by the advertising agency which handled the Nicholson account, aided by field investigators employed by several magazines and newspapers, and it covered carefully selected cities, towns and rural districts which constituted a good cross-section of the whole country. It took in dealers and the ultimate consumer and paid especial attention to the market in farming sections. From this survey the discovery was made that, besides the great professional market for files among machine shops and machinery manufacturers, a wide

field for the sale of files existed among the amateur and semi-amateur carpenters and mechanics and automobile mechanics, and in the lumber industry, on farms and in the jewelry manufacturing industry. The definite information was gleaned that each farm carried an average of 2.9 files.

From the facts gathered in the survey, the Nicholson File Company proceeded to work out the mediums which it believed would blanket the entire field, and to prepare copy which might appeal to the various markets. Realizing the matter-of-factness and dryness of the subject of files as usually treated, the copy writers sought to inject some sort of "human interest" or romance into the advertisements. They sought far and wide for stories about unique uses for files, and it is surprising the tales about files their research revealed.

Capitalizing Half a File

One story around which a number of strong and interest-attracting advertisements were constructed was that concerning the flight made by Lieutenant Walter Hinton in the valley of the Amazon to discover the source of the Parima River. It seems that on that flight everything that could possibly be spared was stripped from the plane so that it could carry more gasoline. Every tool was discarded, except half of one file. By good luck—or good foresight—this happened to be a Nicholson file. The company received a letter from Lieutenant Hinton saying, "Half a Nicholson file was more useful to us than any other tool would have been. It could do a score of repair jobs in the air."

Deeper research revealed the facts that the file had always been a very adventurous tool, used in strange places and for unusual purposes. These stories furnished the "human interest" for copy themes. And the company needed variety in its copy, for in each medium it presented a different idea.

For professional users of files no need exists for instituting an educational campaign. Consequently, in the lumber trade papers, as well as the machinery and technical magazines, in which the copy is designed for the strictly professional user, the company

has directed its chief effort toward building name prestige.

In the hardware trade papers the company exerts its advertising efforts largely toward helping to put over campaigns directed at consumers. Its direct-mail advertising, too, calls attention to such campaigns and also attempts to get dealers to use window and counter displays and other dealer helps, such as folders and cards.

For the less technical mediums the keynote of all the company's advertising is educational, based upon the many uses for Nicholson files. When the advertisement is intended for the amateur and for shop mechanics, the company takes this educational tone. In the farm papers, likewise, the copy is planned to remind the farmer of the many uses for files about the farm and to impress upon him the importance of having a file of good quality.

The use of the file in the jewelry industry is a very special one. Consequently, for the jewelry publications the company has an entirely different form of advertisement. It emphasizes the necessity for using the best of files in the manufacture of fine jewelry and advertises its special brand of file, the X. F. Swiss pattern file, made particularly for the jewelry trade.

Gratifying Results

So step by step the Nicholson File Company has proceeded by research in its advertising campaigns. First it studied its markets, then it hunted out sources for good copy, then it studied its advertising mediums and the customer appeal. But still one more step remained in its fact-finding—to follow through for results. And here at least one very definite and gratifying revelation was obtained, for in a follow-up investigation to check the effects of its educational advertising in farm papers the company discovered that the average number of files to a farm had risen from 2.9 to 4.

Francis J. Andrews has been elected vice-president, director of advertising agency service and a member of the board of directors of the Monotype Letter Company, Inc., of Detroit. Mr. Andrews was formerly associated with the Campbell-Ewald Company.

Let's see!

Some merchandise is like a light under the bushel. People read about it but do not see it. There are ways to show all products effectively. For many, the way lies through rotogravure. This process for a perfect printed reproduction of photographs and other art is available for your booklets, package enclosures, house organs, catalogs, and mailing pieces. The rotogravure papers made by Kimberly-Clark — Primoplate, Hyloplate, Servoplate and Rotoplate — give perfect satisfaction in their respective fields. The Rotogravure Development Department, Kimberly-Clark Corporation, 208 S. La Salle St., Chicago, welcomes rotogravure questions.

Kimberly-Clark Corporation

Established 1872

NEENAH, WIS.

NEW YORK
122 E. 42nd St.

CHICAGO
208 S. La Salle St.

LOS ANGELES
510 West Sixth St.



ADVERTISING art should be free. Rotogravure, the process that reproduces pictures perfectly, permits the use of any treatment in the presentation of your product. In one layout you may combine, with absolute confidence, realistic photograph, free drawing and flat tones



ART should be universal. Rotogravure is available for magazine and newspaper advertising, for booklets, catalogs, deluxe brochures, mailing pieces, package enclosures. For each use Kimberly-Clark Corporation makes a rotogravure paper that gives perfect printing results.

Photograph by Fab Studios for Proctor & Gamble



Kimberly-Clark Corporation
Manufacturers of Hyloplate, Primoplate, Servoplate and
Rotoplate—perfect papers for rotogravure printing

Twelve Managers Will Control U. S. Rubber Commodity Sales

BY F. B. DAVIS, JR.

President and Chairman of the Board, United States Rubber Company.

To provide greater specialization by products, the United States Rubber Company has substituted its system of centralized control by the organization of a dozen separate departments or companies, each directed and operated by a general manager—or a president in the case of a subsidiary operating under its own name—who will have absolute responsibility for all of the operations of his department, both in production and in sales.

Generally, under the new plan, each department will cover a line or group of commodities having common characteristics of manufacture or distribution. In addition, however, managers have been chosen for the rubber plantations of the company; for supervision of distributing districts and warehouses in the United States; for the United States Rubber Export Company, Ltd., to have control of branches and distributors throughout the world, and for the Dominion Rubber Company, Ltd., of Canada.

The general managers will report directly to the president. In the commodity groups they will supervise almost every operation from raw material to the delivery of the finished article to the retailer. These operations will include manufacturing, selling, accounting and research and development. The manager will also be entitled and expected to use all the general service departments of the company. Among these are commercial research, advertising, industrial and public relations, purchasing, traffic, legal and patent, finance and accounts, planning and engineering and development.

The twelve departments are tires, headed by L. D. Tompkins, who has been vice-president of the company; footwear, headed by T. J. Needham; mechanical goods, by Walter Gussenhoven; sundries (golf balls, thread, druggists' goods, bathing accessories, soles and heels, etc.), H. W. Waite; clothing (including carriage and auto topping), George E. Goodwin; Rubber Regenerating Company (reclaimed rubber), E. A. Anderson; Naugatuck Chemical Company (heavy acids, accelerators, etc.), Elmer Roberts; Dominion Rubber Company, Ltd. (a variety of lines, including waterproof footwear, tennis and felt footwear, mechanical goods, sundries, tires and

tubes), W. A. Eden; General Rubber Company, president, Mr. Tompkins; United States Rubber Plantations, Inc. (ten estates in British Malaya and Sumatra), H. S. Hotchkiss; distributing districts, Herbert E. Smith; and United States Rubber Export Company, Ltd., Herbert E. Smith.

The advertising department is headed by William F. Earls, who was recently appointed to general supervision of all the company's advertising activities; the development department by Ernest Hopkinson; the industrial and public relations by C. S. Ching; and commercial research by Walter Emery.

The company believes this type of organization will not only help us to place the responsibility more directly, but will give the general manager greater freedom of action—enabling the company to build up its business with a more thorough understanding of all the processes involved and of the needs of the retailer and of the ultimate consumer.

The new form of organization is in line with the policy of the E. I. du Pont de Nemours interests, who assumed control of United States Rubber last January.



Dr. A. W. Leschoier, who has been appointed general manager of Parke, Davis & Company, Detroit.

Ayer Incorporates After 60 Years

N. W. Ayer & Son, a partnership since its organization as an advertising agency in 1869, became a corporation under the laws of Delaware this week in order to "afford more members of the organization opportunity to participate in the business through stock ownership," Wilfred W. Fry, president, has announced.

Authorized capital is one million shares of no par value common stock. The officers—all of whom have been partners under the former plan—are Mr. Fry, William M. Armistead, James M. Mathes, Adam Kessler, Jr., George H. Thornley, John W. Hansel, Jr., Gerald M. Lauck, Peacock, vice-presidents; and Adam Kessler, Jr., secretary-treasurer.

Radio-Victor Merger Will Retain Both Sales Structures

The Radio-Victor Corporation of America, was announced this week. The new company will take over the sales activities of both RCA and Victor, including recording and the contracts with Victor artists. Both sales structures will be retained virtually intact.

Officers will be: David Sarnoff, chairman; J. L. Ray, president; I. E. Lambert, vice-president and general counsel; A. E. Reoch, vice-president in charge of production, service and traffic; H. C. Grubbs, vice-president, Victor Talking Machine division; Quinton Adams, vice-president, engineering products division; Meade Brunet, vice-president, Radiotron division; E. A. Nicholas, vice-president, Radiola division; E. C. Grimley, treasurer and comptroller; and Francis S. Kane, secretary.

The unified laboratory and factory facilities behind the new company and the combined sales outlets and Victor artists and recording laboratories are expected to result in a more complete service to the trade and to the public, states Mr. Ray. The Radio-Victor Corporation, he said, would market this year a number of new models of radio sets and talking machines, with both the Victor and RCA trade-marks.

...on the stage it's
PERSONALITY!



...in a cigarette it's
TASTE!



TASTE above everything
Let others say what they will, none is
whiter cream. We know... for billions and billions
of Chesterfields have been made to the one for
mule, "TASTE ABOVE EVERYTHING".
Our unvarying standard of quality, a patchless
blend, a unique "cross-blend"—and the most
excellent array of smokes any cigarette ever had!


Chesterfield
FINE TURKISH and DOMESTIC tobaccos, not only BLENDED but CROSS-BLENDED

© 1929, Tobacco & Cigarette Company, Inc.

(Newell-Emmett Company, Inc.)

The new Ches-
terfield ad ver-
tising in the dai-
lies is stressing
taste as the main
appeal of a ciga-
rette — a radical
view to take of a
product which
everyone knows
is a medicine.

50 YEARS OF WOOLWORTH



brings increased
buying power
to the small coins
of the world

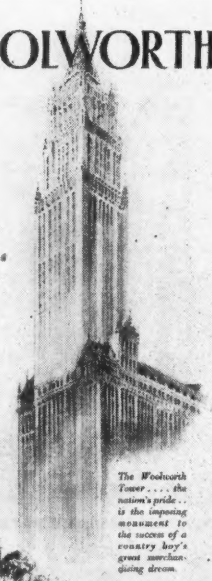
FIFTY years ago Frank W. Woolworth opened his first store. He was a country boy from upstate New York, with three hundred dollars of borrowed capital and a new merchandising idea. That idea was destined to affect more millions of people more intimately than any other in the history of retail merchandising. Today the more than twenty-one hundred F. W. Woolworth Co five and ten cent stores span five countries in two hemispheres... and serve more than ten million customers daily.

GOLDEN ANNIVERSARY SALES
To Interest a Continent
EVERY WEDNESDAY AND SATURDAY DURING MAY

To give fitting emphasis to its 50th Anniversary the F. W. Woolworth Co has arranged for the month of May a series of special sales... with values to emphasize the remarkable buying power of nickels and dimes at Woolworths. These sales will begin in every Woolworth store throughout the United States, Canada and Cuba, on Wednesday, May 1, and will continue each Wednesday and Saturday during the month. See the windows of all Woolworth stores for special sales announcements and displays.


FIFTIETH ANNIVERSARY SOUVENIRS
An interesting Golden Anniversary Book and a Home Shopping Guide of services in every house. Secure copies at any Woolworth store.

READ THE FOLLOWING PAGES for more of the national column to be found at all times in Woolworth stores.



The Woolworth Tower... the nation's pride... is the imposing monument to the success of a country boy's great merchandising dream.

F. W. WOOLWORTH CO 5 AND 10 CENT STORE



ORIGINATOR OF THE 5 AND 10 CENT STORE

(McNelis-Weir, Inc.)

The Woolworth company breaks fifty years of scant advertising in periodicals with inserts varying from four to sixteen pages.

**Quick, madam
..the scissors!**

**Cut your wash-day work
in half!**



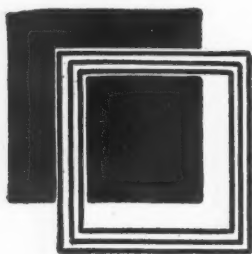
La France
Use it with soap
Logans dirt without rubbing
Whites clothes without bluing

COUPON
ON THIS page there's a coupon. Get your scissors—cut it out. Mail it today. It will bring you La France... and La France will save half your wash-day work! For La France does your rubbing and bluing for you—gets you through in half the usual time.
La France is a marvelous cleansing agent that you use with soap. It quickly and thoroughly soaks away all grease and dirt... and blues the clothes perfectly at the same time. Makes them sunny white, spotless clean, deliciously fresh and fragrant.
La France works like magic on garments that are unusually soiled—things like greasy-stained overalls, children's play suits, etc.
Yet it won't harm the finest fabric or the faintest color. Think—it is used for the laundering of priceless Museum fabrics! And of course, La France won't harm your hands—in fact, it tends to soften and whiten the skin.
Here's how to use La France...
in washing machine, bathtub or boiler
Dissolve in a saucepan of boiling water 2 heaping tablespoons of La France and a cup of soap—clipped bar soap, flakes, powder. Add this to your water, then put in the clothes. Soak as usual or scald in a boiler if you prefer. (If you use a washing machine, run it half the usual time.) You don't need a washboard! You don't need bluing! Just rinse through two fresh, warm waters—and your washing is done. La France has soaked out the dirt and blued your clothes perfectly.
FOR EASIER IRONING, ADD A CUP OF HOT STARCH
Starch the sample of La France or brand you prefer, sample of Starch. Added to hot starch, it gives you more from the same glass, as a separate glass and pour in the water. Your gloves will be clean and bright.

LA FRANCE MANUFACTURING CO.
1115 Broadway, New York, N.Y.
Please send me, free, a big package of La France—enough for a month's wash—with a sample of Starch.
Name _____
Address _____
City _____ State _____
I will be compensated. Please name and address.

(Young & Rubicam, Inc.)

An illustration and a headline which serve the double purpose of calling attention to the coupon and putting over a sales story.

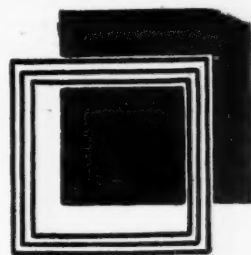


Youth Buys as

Youth responds to its bankroll's limit (and beyond) to the urge of desire, while age resists all save the dictates of need. Youth, ready to try anything once, is a better prospect than wealthier age governed by fixed habits of buying. For 90% of advertisers the fledgling family head is a better prospect

C H I C A G O
A M E R I

a good



Desire Urges

than the millionaire who has bought Soanso's Shoes for thirty years, and will buy them till he dies. Of all the family heads who read the Chicago Evening American the percentage under 30 and from 30 to 50 years of age is greater than the percentage of all such family heads in Chicago.

EVENING
AMERICAN

newspaper

*One of the 28 Hearst Newspapers
read by more than twenty million
people. Member of International
News Service, Universal Service
and Audit Bureau of Circulations.*

McKesson-Robbins Adds 24 Units; Will Handle All National Brands

With the addition of twenty-four more wholesale drug houses, McKesson & Robbins, Inc., of Maryland, will soon put into effect a new "partnership," which plans to buy and distribute through fifty-six wholesalers drug and toilet goods products of all manufacturers for 52,000 independent retailers throughout the country.

The new wholesale houses will add \$41,000,000 to the company's annual sales volume, now approaching \$200,000,000.

The plan provides that goods of all manufacturers, in addition to those of McKesson & Robbins, Inc., a manufacturing corporation, will be handled by the new distributing corporation for resale to retailers. Products will be sold, at reduced cost, only to retailers and small chains, F. Donald Coster, president of the new company, said, "with a view to enabling units of limited capital to meet the competition of larger drug chains." The 52,000 stores, which the company will serve, represent nearly 95 per cent of all the retail drug units in the country—only about 5,000 being controlled by Liggett, Walgreen, Whelan and the other larger chains.

The tie-up will be strengthened by the opportunity for independent retailers to buy stock in McKesson & Robbins. It is understood that several thousand have already applied.

In addition, the retailer will be given free window and counter display service and assistance from former chain store merchandising experts who have been employed for this purpose. A liberal credit program has also been adopted. The plan, Mr. Coster pointed out, is expected to place every retailer in the position to sell merchandise on an equal basis with the chains.

McKesson & Robbins of Maryland was incorporated last August. At that time it embraced fifteen wholesale houses with sales of \$100,000,000, 484 salesmen and 25,000 retail customers. The resources of the corporation, it is understood, have been doubled.

Each wholesale house participating preserves its corporate identity, but transfers its outstanding stock to the holding corporation.

When the corporation was formed Mr. Coster announced that the new system was expected to effect substantial savings in buying, selling, laboratory cost and effort. At that time, he pointed out also, that in

the future consolidated companies will concentrate on one line.

This McKesson & Robbins brand, however, will not be given advantage over other nationally advertised lines which the company will carry. The company has established a "live-and-let-live" policy towards manufacturers, Mr. Coster emphasized, and will "seek no unfair advantages and make no attempts to take advantage of the manufacturer by reason of the enormous purchasing power which the new company will possess.

"On the other hand, the company intends to concentrate on the most profitable lines of merchandise and intends especially to put its own lines against cut-price proprietary remedies.

"An executive staff to take charge of the program will be announced within the next two weeks.

"Presidents and other executives of wholesale units are becoming vice-presidents and directors of McKesson & Robbins of Maryland, of which Mr. Coster, president of McKesson & Robbins of Connecticut, is president.

McKesson & Robbins Company of Maryland will inaugurate an advertising campaign commencing July 21. Twenty-six full pages in color will be used in the *American Weekly* and about twenty other newspapers will be used in conjunction. The new account will be handled by Lambert & Feasley, Inc. The production account of McKesson & Robbins (Connecticut) will be handled as in the past by Hanff-Metzer, Inc.

The companies just added are:

Blanding & Blanding, Inc., Providence; H. and J. Brewer Company, Springfield, Massachusetts; Bronx Drug Company, New York City; W. Crowds Drug Company, Dallas; Doster-Worthington, Inc., Birmingham; Eisen & Company, Inc., Yonkers; Hornick, More & Porterfield, Sioux City; Huntington Drug Company, Huntington, West Virginia; C. S. Littel & Company, Inc., New York City; C. J. Lincoln Company, Little Rock; J. S. Merrill Drug Company, St. Louis; Ogden Wholesale Drug Company, Ogden, Utah; Parker-Blake Company, Ltd., New Orleans; Peter-Neat-Richardson, Louisville; C. E. Potts Drug Company, Wichita; J. B. Riley Drug Company, Macon, Georgia; Roanoke Drug Company, Roanoke, Virginia; Schuh Drug Company, Cairo, Illinois; Charles E. Schumacher Company, Brooklyn; Spokane Drug Company, Spokane; Spurlock-Neal Company, Nashville; Stewart & Holmes Drug Company, Seattle; Alfred Vogeler Drug Company, Cincinnati; and Noyes Brothers & Cutler, Inc., St. Paul.

It has been reported that McKesson & Robbins will acquire Lambert Pharmaceutical Company, makers of Listerine.



A. R. King

Underwood Typewriter Names Sales Chiefs

A. R. King has become sales manager and M. S. Eylar vice-president of the Underwood Typewriter Company in charge of machine sales.

In his new capacity, Mr. King succeeds J. E. Neahr, who retires after twenty years in that position. Mr. Eylar, who has been vice-president of the General Office Equipment Corporation, will have charge of both domestic and export sales of the Underwood Elliott Fisher Company subsidiaries. Mr. King joined the Underwood organization in 1907.

George Morrow Elected by Standard Milling

As a result of the merger of the Standard Milling Company with the Gold Dust Corporation, George K. Morrow, president of Gold Dust, has been elected to a similar position with the Standard Milling. A. P. Walker, formerly president of Standard Milling, has been elected chairman; J. A. Neville, formerly secretary and treasurer, has resigned.

Mitchell Joins Dixon

Robert E. Mitchell has been made manager of the new paint sales division of the Joseph Dixon Crucible Company, Jersey City. For a number of years Mr. Mitchell has been the sales executive of Valentine & Company, more recently as sales promotion manager.

Week-day claims come home to roost on Sunday ↗ ↗

WHETHER you advertise on Sunday or not, there's much to be learned from Boston Sunday newspaper circulation. Especially if your principal market is the home—the family conference circle.

And in no other city or trading area could the picture be more sharply drawn than in Boston . . .

Seven daily papers. Three carrying most of the advertising. All three with large daily circulation . . . On Sunday, in the Metropolitan district, one of these three loses a third of its week-day readers. Another loses nearly two-thirds. The remaining paper—the Globe—*holds its week-day audience practically intact on Sunday.*

This is one of the factors which have determined the advertising policy of those most intimately concerned with Boston's home market—the retail merchants of Boston. The local department stores, for instance, use 48% more advertising space in the Globe, for the week as a whole, than in any other newspaper.

REAL home appeal isn't always built along with circulation. The Globe has worked the other way 'round—home appeal first, then natural increase in circulation.

Thirty-five years ago the Globe published the first "Woman's Page"

in American journalism. This has become a Household Department with tens of thousands of constant readers.

With its larger staff, the Globe gathers and prints more local and suburban news than any other Boston paper.

The Globe's sport pages are closely followed throughout New England and quoted throughout the country.

School news has always been most complete.

Financial and general news is carefully edited for Boston's substantial business men.

Religious news covers the activities of all denominations.

And the Globe is free from bias in the treatment of political news.

THE Boston shopping area is a rich market, ranking third in per capita income tax returns of the major American markets. Average family wealth is \$9000; average savings deposits, \$2000 per family. We submit that the Globe reaches more of the worth-while homes, more consistently, than any other Boston newspaper.

All the facts are contained in the interesting booklet, "Boston—4th Market." The coupon will bring you a free copy.

The Boston Globe

Boston Globe, Department S-2
P. O. Box 189, Boston, Mass.

Please send me free copy of your booklet
"Boston—4th Market."

Name.....

Street.....

City.....State.....

BUYING

ABOUT Eight Billion Dollars are spent each year in the United States for new buildings. Roughly—half of this is for skilled labor, half for materials—an annual market for building supplies of every sort, amounting to Four Billion Dollars!

The Spending of this tremendous sum is concentrated in the hands of a limited number of men—the building contractors, the speculative builders, the real estate developers, the architects and the engineers.

These men are the **BUYING POWER** of the Building Industry.

They select, specify, recommend, purchase, and install.

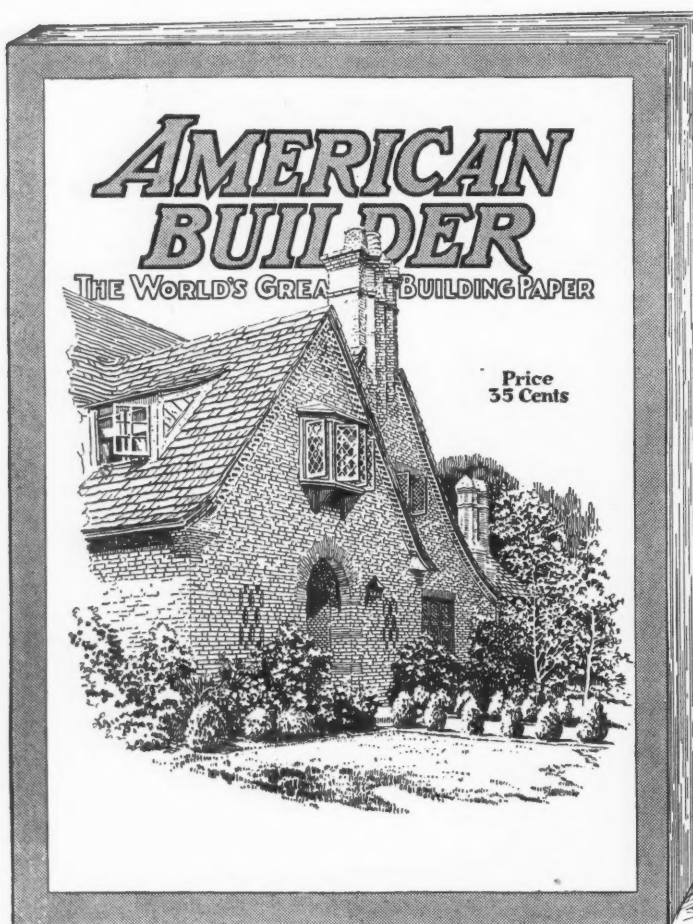
They are "in the market" constantly—every day of the year—for building materials, equipment, and supplies—everything that is required today to make homes modern and livable, and to make business and public buildings measure up to modern standards.

Advertise to this **BUYING POWER**.

Make your goods and your services thoroughly known to these active men of the Building Field.

Check for your secretary to request copy of—

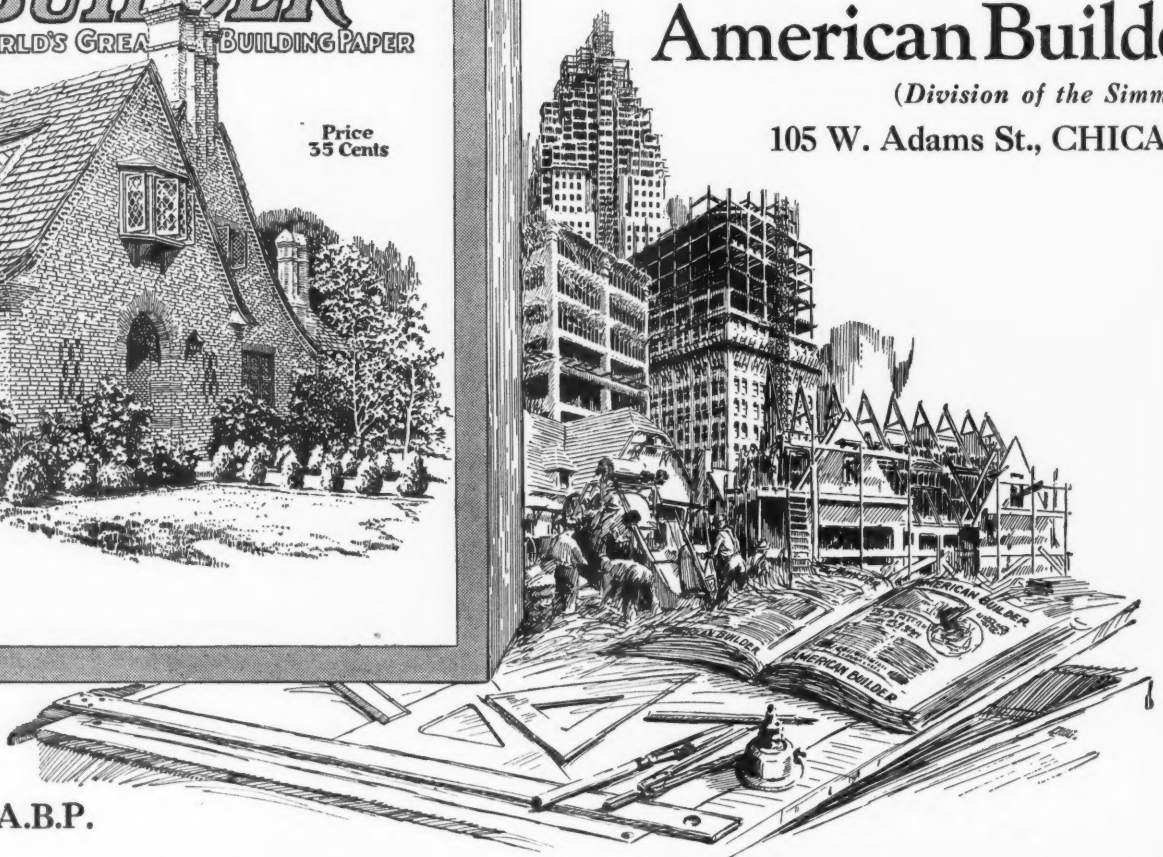
- ☐ "Paved Way to the Building Market";
- ☐ "New Factors and Changing Markets";



American Builder

(Division of the Simmons-Boardman)

105 W. Adams St., CHICAGO 30



Member
A.B.C. and A.B.P.

POWER

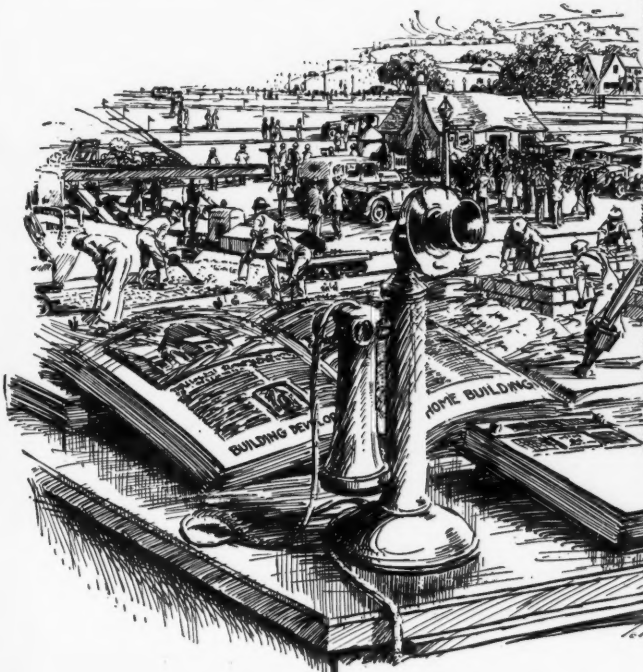
No investment is too large, if it insures the good will and creative cooperation of these *Builders*.

Fortunately, no very large investment is needed to do a thorough job of advertising to these important buyers. The "American Builder" and the "Building Developer" with which is incorporated "Home Building", give large coverage of these buyers, without waste—more than 110,000 net paid circulation—the *responsive half* of this great market!

- ☐ Statistical Chart Building by Developers;
- ☐ A. B. C. Statements and Advertising Rates;
- ☐ Copy Current Issue "American Builder";
- ☐ Copy Current Issue "Building Developer, with which is incorporated Home Building."

er Publishing Corp.

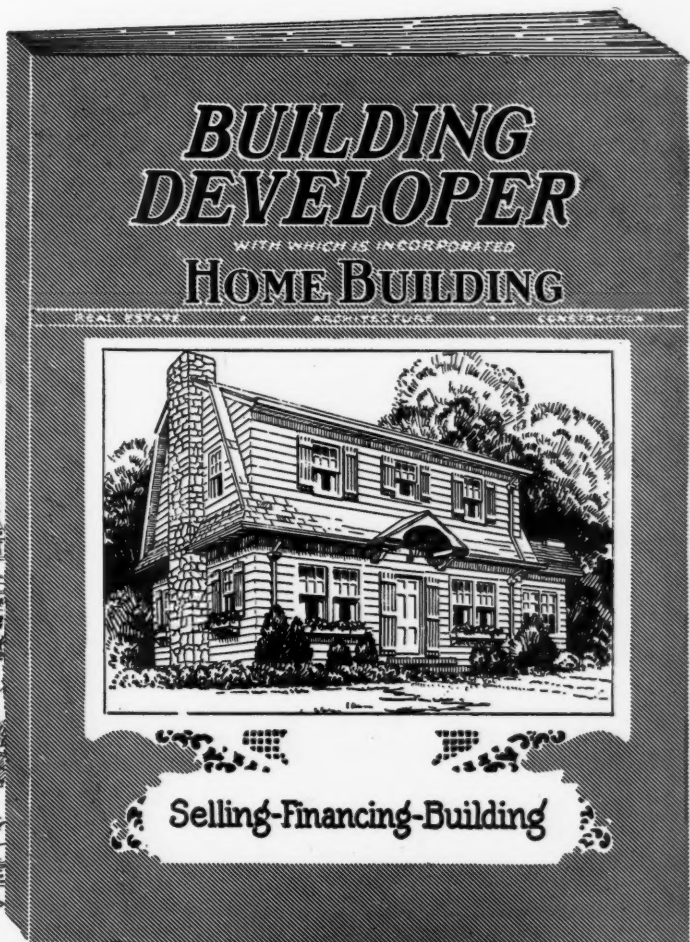
Boardman Publishing Corp.)
30 Church Street, NEW YORK



Judging from the selected quality and buying power of this list you might expect the advertising rate to be high; but in reality it is *low*.

Here is your most direct, resultful and economical approach to this great building market.

The "American Builder" and the "Building Developer" constitute THE COMPLETE COVERAGE UNIT scientifically planned to give you complete coverage at low cost. Here are two doors into this great market.



Member
A.B.C. and A.B.P.

Melville Shoes Enters National Advertising After Boston Test

For the first time, the Melville Shoe Corporation, New York, operator of the Thom McAn, Rival and John Ward retail chains, will inaugurate a national advertising and sales campaign on the Thom McAn group, the largest shoe chain in the country. Newspapers will be used. A preliminary test campaign of ten weeks' duration, using twenty insertions of 400 lines each, is now in its fourth week in Boston.

The Boston sales area has been selected for the working out of new policies which are to guide the company's 1929 program. Results of the experiment will be used to determine the amount of space and the type of copy to be used in the extended campaign. Melville operates 450 stores, more than 400 of which are Thom McAn stores, the only national chain of the three units. Of the 450 stores, twenty-seven are operated in and near Boston.

Trials of merchandising plans are also being carried out in Boston. Special sales of certain types of women's shoes are being conducted in the "Gold Front" McAn stores. "Gold Front" stores are devoted to the sales of women's shoes exclusively and "White Front" stores to men's and boys' shoes. Other merchandising problems of individual stores are being studied by executives of the company.

More than one hundred new Thom McAn stores were placed in operation during 1928. While the Melville organization has been successful in maintaining a satisfactory advance in the volume of sales in relation to the gain in the number of stores operated in the past, assurance of the continuance of a satisfactory ratio is seen in a policy, adopted temporarily, of not establishing new stores, except where particularly favorable locations are found. Concentration on further building up of the business of the stores already in operation is planned for 1929.

There has been no decision as to whether metropolitan papers will be used exclusively or whether local papers within or near the metropolitan areas will also be employed. The copy has an institutional flavor, but a particular style of shoe is featured in each piece.

According to Melville officials there has been a gain of more than 34 per cent over the corresponding period in 1928 during the first quarter of this year. Sales for the first quarter this

year amounted to \$5,725,584, as compared to \$4,265,369 in 1928. Most of the gain is attributed to the stores already in operation a year ago. Thom McAn shoes maintained the same quality and price levels during the rise in leather prices last year and confidence is expressed by the executives in the ability of the company to weather leather price fluctuations and other conditions of a temporarily adverse nature.



Keith S. McHugh

McHugh, at 34, Directs N. Y. Telephone Contacts

Keith S. McHugh, 34, former general commercial manager for the Brooklyn, Queens and Long Island area, has been appointed vice-president in charge of public relations for the New York Telephone Company, largest of the associated telephone companies.

Mr. McHugh has been associated with the New York Telephone Company since 1925, when he was appointed general commercial manager for the upstate area of New York. He continued in that position until his appointment to the Long Island area in 1927.

Before joining his present company, Mr. McHugh was general commercial engineer for the Chesapeake and Potomac group of the Bell Telephone Companies, at Washington, D. C., from 1921 to 1925.

Sees "Stork" Market as Greatest Force in Trade Changes

The two and one-half millions of people born in this country every year are the fundamental force behind the continual changes in business and marketing, Charles F. Kettering, director of the research laboratories, General Motors Corporation, told the Chamber of Commerce of the United States at the annual meeting in Washington, this week.

"So long as we have younger generations," Mr. Kettering explained, "we will have changes. Their views are new, their tastes are new, their likes are new—and emphatic.

"Advancing waves of other people's progress sweep over the unchanging man and wash him out. If we could let time stop, business could stay static. In all that our research organization does, we remember one force: the calendar. The calendar controls.

"One thing that distinguishes the United States from the rest of the world is not its waste, but its ability to absorb change rapidly."

F W D to Inaugurate National Campaign

Plans for a national advertising campaign have just been completed by the Four Wheel Drive Auto Company (FWD), of Clintonville, Wisconsin.

The campaign, which is under the general direction of W. M. Hanson, advertising manager for FWD, will be conducted in national trade papers and general magazines. Freeze-Vogel-Crawford, Inc., advertising agency of Milwaukee, will handle the account. FWD, which formerly manufactured army trucks, is now making trucks for general commercial use. The purpose of the present campaign, according to Mr. Hanson, is to further sales activity in present FWD fields and to enlarge the market.

Stetson Company Enters Straw Hat Market

The John B. Stetson Company, hat manufacturer, has entered the straw hat field for the first time. The new line is being sold to retailers in about 100 cities—the dealers being furnished with window cards and direct-mail tie-ups.

The backbone of the campaign is twenty-four-sheet posters in thirty-five cities, for one month beginning the straw hat season in various territories.

Now is the time for all good men to come to the aid of their pocketbooks

Costs 2 to 4¢ A Pound Less Than Any Bond Paper That Is

1. watermarked
2. uniform in color and weight
3. produced under laboratory control
4. offers all weights, colors and sizes
5. with a trademark that does not affect the printing surface

THE FRESHNESS and crackle of bond paper bespeaks quality associations. In booklets, stationery and business forms it offers a permanence, a regal bearing that's much desired.

Now the price is right—Caslon Bond has pioneered the popular priced field with a sheet that stands alone.

Nature gave Munising water and a geographic position that permits low cost production of quality bond paper. Invention showed how to watermark it properly on high speed half million dollar paper machines. Executives saw the chance to pioneer the popular priced bond field.

A book, "*Hidden Gold in the Bond Field*", unfurls for you the economic possibilities that this move is fraught with, will open your eyes to new opportunities. Gladly sent on request, or ask your paper merchant for a copy and for test sheets.

CASLON BOND



*a popular priced paper
for a workaday world*

THE MUNISING PAPER COMPANY ~ MUNISING, MICHIGAN



The "style conference" this year was a banquet

Clothier Removes Buying Hazards With Yearly "Style Conference"

Manufacturers might find it profitable to encourage the type of merchandising methods being followed by Juster Brothers, Inc., tailors, clothiers and furnishers, of Minneapolis, Minnesota. Juster Brothers, to determine the requirements of its principal market, which is among the students of the University of Minnesota, hold an annual "style conference" with these students to ascertain their tastes in style, patterns, colorings, modeling, as well as other variations in clothing. The "style conference" for 1929, which was held this month, took the form of a banquet and entertainment. It was attended by 225 students, selected by the various fraternity and campus organizations.

Interest in the conference is stimulated by a questionnaire, sent out by the clothing firm two weeks earlier, in which students are asked to list their preferences in such details as coat length, button spacing, materials, shape of lapels, etc., and by a contest between the university orchestras, conducted through the medium of a local radio station, the prizes for which are presented at the conference.

P. B. Juster represents his firm at the conference and explains the purpose of the gathering and the significance it has to the men at Minnesota and the clothing industry in general.

A. J. McCartin, secretary of the firm, in a statement to SALES MANAGEMENT, said: "The importance of the conference to us lies in the fact that we ascertain the tastes and acceptances of the greater part of the clientele we serve.

"Our purchasing plan then becomes easy, insofar as we already know the demand of our consuming public—establishing an efficiency in merchandising and a saving in narrowing

down our purchases to a basis where we are almost sure of the acceptances of the newer things that we promote for the coming seasons.

"It is needless to explain to any retailer the savings that can be effected where the hazards of purchasing are narrowed to a minimum. This results in smaller carry-overs."

Lamont and Klein to Talk at Industrial Meeting

Robert P. Lamont, secretary, and Dr. Julius Klein, assistant secretary of commerce, will address a meeting of the industrial advertisers' committee of the Association of National Advertisers, the National Industrial Advertisers' Association and the Associated Business Papers, to be held at the Department of Commerce in Washington, May 10. The purpose of the meeting, as outlined by N. S. Greensfelder, president of the N. I. A. A., is to "stress the distinction between industrial consumer selling," and to "bring out the position of industrial advertising in a field of industrial selling." Export selling will be an important topic.

Other speakers scheduled are Frederick M. Feiker, managing director A. B. P.; Wallace Thompson, editor, *International Engineering*; Grosvenor M. Jones, chief, finance and investment division; Dr. Frank M. Surface and Thomas R. Taylor, assistant directors, bureau of foreign and domestic commerce; C. C. Concannon, chemical division; Marshall T. Jones, electrical equipment division; Wilbur J. Page, hides and leather division; Eric T. King, specialties division; and Walter H. Rastall, industrial machinery division of the department.

Gillette Doubles Promotion; to Serve 25,000 Dealers

Twice the amount of space will be used by the Gillette Safety Razor Company measured by the number of national magazines to be employed this year as compared with its 1928 campaign.

The list includes 140 magazines of national circulation. It covers general weeklies, general monthlies, class magazines, business magazines, farm papers, fraternal publications, the strictly "boy" group of publications and some fifty-seven college comics.

The advertisements will be full page copy, in some cases color will be used. The color pages will feature a new improved razor, using halftone cuts, wash drawings, pen and pencil sketches and silhouettes, varying with the style of copy and the publication.

During the advertising drive a sales promotion campaign will be carried on among the 25,000 dealers handling Gillette products. A nation wide dealer window display contest, offering cash and merchandise prizes, will be conducted during the month of May.

This campaign will reach all Gillette dealers in 2,521 cities of less than 25,000 population, 126 cities of 25,000 to 50,000 population, and 167 cities of greater than 50,000 population. More than 150,000 broadsides on the contest have been distributed. One of the controlling conditions is that full window space must be given to Gillette products. Fully 25,000 entrants are expected in this dealer window contest.

The Gillette company has orders for 6,000,000 razors on hand for the current year. Most of these will be distributed in England, the Far East and South America.

Gillette statisticians estimate the shaving population of the world at 800,000,000. Cuba buys more razor blades per capita than any other country in the world, with Argentina next.

Outdoor Agency Appoints Scoville President

Lewis P. Scoville, first vice-president of the Outdoor Advertising Agency of America, Inc., and a member of that company and its predecessor, the Ivan B. Nordham Company, for twenty-five years, has been elected president to succeed F. W. Nye, resigned. Mr. Nye has not announced his plans. Mr. Scoville will continue to head the Pittsburgh office.

Index of Business Conditions

In spite of much unusually unfavorable weather and continued high rates for money business goes on at an astonishingly active rate. This is notably true of retail trade, production and distribution. The extent of the forward movement in the first three months of the year is reflected in the quarterly statements for March of most of the big corporations, a conspicuous example of which is that of U. S. Steel showing net earnings of \$60,000,000, compared with less than \$41,000,000 in the first quarter of 1928. As the Guaranty Trust Company, New York, says in its current circular: "Seldom, if ever, has the business situation in the United States presented a more complete picture of prosperity than it does today." Bank clearings on a somewhat reduced scale are still more indicative of slackened operations in the stock market than of smaller volume of total transactions.

Total Transactions

Bank clearings in twenty-three large cities for the week ended April 25 totaled \$10,782,126,000, 2.1 per cent less than last year. They were down 1 per cent in New York and 4.3 per cent in the other twenty-two cities though gains were recorded in fourteen. Debits against individual accounts, on the other hand, rose 3.9 per cent to \$16,638,000,000, 4.7 per cent in New York and 2.6 per cent in outside districts.

Distribution of Goods

Railroad freight loadings in the week ended April 20 filled 1,004,156 cars, exceeding 1928 by 58,867 and 1927 by 53,611 cars. This is the most favorable comparison thus far this year.

Credit Conditions

Call money rates continued high and erratic, ranging from 8 to 15. Time money held at 8 to 8½, and commercial paper at 6. There was no change in bank acceptance discounts.

Margin of Profits

Commodity prices remained at the relatively low level touched the week before last, the Irving Fisher index standing at 96.7, the point reached in the decline from 98.3 recorded a month ago.

SERVE THE GROWING SOUTHWEST MARKET
FROM DALLAS—THE CENTER*

WHAT IS THE SOUTHWEST?

What does it offer you?



GEOGRAPHICALLY, "The Southwest" comprises a group of four Southern and Western states—Texas, Oklahoma, Arkansas and Louisiana. Commercially, it is a market empire—one of America's greatest unit market zones, with more than 12 million population and annual buying power of over 6 billion dollars.

Figuratively, "The Southwest" denotes a young, growing country, with a youthful spirit of ambition and progress. Having tremendous, largely undeveloped, resources—in basic raw materials, in fuel, in available labor—the Southwest presents American industry with manufacturing opportunities such as existed in the North and East 25 and 50 years ago. Opportunities to grow with a growing market!

"A Complete Market Analysis of Dallas and the Great Southwest," which we have prepared for business executives, is based on the surveys of leading Eastern industrial engineering firms. This book is invaluable to executives charged with the responsibility of locating sales or manufacturing branches. Write for it—on your business letterhead, please.

Industrial Dallas, Inc.
1431 Chamber of Commerce Bldg.
DALLAS

* GEOGRAPHICAL CENTER
TRANSPORTATION CENTER
DISTRIBUTION CENTER
RAW MATERIAL CENTER
POPULATION (LABOR) CENTER
FUEL AND POWER CENTER
INDUSTRIAL CENTER
FINANCIAL CENTER

Dallas

Southwestern Headquarters to American Business—1,892 national and sectional concerns maintain branches in DALLAS.

Other Industries May Apply Proposed Plan Limiting Oil

BY VIRGIL B. GUTHRIE*

Editor, National Petroleum News

The oil industry is openly trying to find some means to limit output of crude oil to current market demand for oil products, for which there are no easily available substitutes, in the interests of conservation of a natural resource.

In other words, conservation to the oil industry means more than avoiding overproduction of more crude oil than is necessary to make all the products for which there is a present market. It means, eventually at least, taking certain products, notably fuel oil, from what the oil industry terms inferior uses—uses in which it competes with other products, with a more abundant potential supply than oil.

In the present operating methods of the oil industry, manufacture from crude oil of gasoline to meet the nation's needs leads to excess production of fuel oil, to the extent that fuel oil has supplanted coal in many places.

The oil industry would obtain conservation by limiting the output of crude oil to the point that refineries of the country would have recourse, to a greater degree, to cracking to produce the gasoline necessary. Cracking would break down some of the fuel oil now being produced into motor gasoline and tend to lift fuel oil from its present low plane.

One phase of the conservation program embarked upon at the suggestion of the Federal Oil Conservation Board calls for arbitrarily limiting production of crude oil this year to the 1928 average. This forces cracking to make the additional gasoline this year, which otherwise would use from 90,000,000 to 100,000,000 barrels of crude oil to produce.

The Federal Oil Conservation Board, made up of the Secretaries of the Interior, Commerce, War and Navy appointed some years ago by President Coolidge to investigate and advise as to methods by which a greater degree of conservation might be secured, through the attorney general, took the position that this arbitrary agreement might be looked upon as a violation of the Federal anti-trust laws.

The Federal oil board, on its part, soon thereafter, suggested a compact

of oil-producing states might be a feasible method of bringing about a limitation on the production of crude through restraining the drilling of wells. Such compacts of states are provided for in the Constitution and have been used in a few cases to bring working agreements between states in matters in which they were directly concerned, but which were not matters of interest to all states or of Federal concern. Such compacts, when drawn by the states, must be ratified by an act of Congress to be effective.

The oil industry is now investigating this method of securing conservation and the Federal oil board has sent Dr. George Otis Smith, Director of the U. S. Geological Survey, to sound out governors of oil states on the matter. So the industry faces now a situation in which public sentiment is strongly in favor of conservation, the Government desires it and the industry would like to bring it about. The method by which it shall be obtained is the point at issue.

The oil industry is pioneering in new fields of industrial development in seeking to find a means of controlling production of a raw material, a natural resource, to the end that the most efficient use shall be made of products manufactured from that raw material. With all forces concerned in the issue in favor of conservation, it is almost certain that means to obtain it will be brought into being. It is very possible that a precedent for industry will be established—a policy of controlled production, particularly for those lines using a natural resource as a raw material.

Tobacco Head Quits

Junius Parker, chairman of the American Tobacco Company and president of the American Cigar Company, has resigned both positions to resume the practice of law. Mr. Parker will be corporate counsel for the American Tobacco Company and companies controlled by it. George W. Hill, president of American Tobacco succeeds him at the American Cigar.

Vincent Riggio, assistant vice-president and sales manager of the American Tobacco Company and Charles F. Neiley, assistant vice-president, were elected vice-presidents.

Account Changes

BORDEN COMPANY, New York City, (Chateau cheese account) to H. K. McCann Company, there.

EATON, CRANE & PIKE COMPANY, Pittsfield, Massachusetts, writing papers, to N. W. Ayer & Son, Inc., of New York.

A. A. VANTINE & COMPANY, INC., New York City, incense and Zanadu toilet goods and beauty aids, to Hommann, Tarcher & Sheldon, Inc., there.

CRAFTEX COMPANY, Boston, Craftex wall finish and Sunflex water paint and allied products, to Wolcott & Holcomb, Inc., of that city.

NEWARK AIR SERVICE, INC., Newark metropolitan airport, Newark, New Jersey, to W. I. Tracy, Inc., of New York.

A. C. NEON CORPORATION, New York City, McCullough radio tubes, to Percival K. Frowert Company, Inc., there.

C & D COMPANY, Grand Rapids, Michigan, dresses, hosiery and lingerie, to Marx-Florsheim Company, of Cincinnati and New York.

MOVIE OPERATORS, AUTO CITY SPECIALTY COMPANY and the DETROIT GUMMED TAPE COMPANY of Detroit, and ADVERTISING PRODUCTS, of Ferndale, Michigan, to Brinckerhoff, Inc., Detroit.

FOOD DISPLAY MACHINE CORPORATION, Chicago, to Campbell-Ewald Company, Detroit.

KORONES BROTHERS, New York City, United States wholesale distributors of the Oyster watch, to Menken Advertising, Inc., of that city. Magazines, newspapers, rotogravure and direct mail and dealer promotion service.

NORWICH PHARMACAL COMPANY, Norwich, New York, Pepto-Bismol, to J. Walter Thompson Company, Inc., of New York.

TRAVEL AIR, Wichita, Kansas, and MONTAUK BEACH DEVELOPMENT CORPORATION, Montauk, Long Island, to William H. Rankin Company, New York City.

LENTHERIC, INC., New York and Paris, perfumes, to Frank Presbrey Company, Inc., New York City.

PEEK, FREAN & COMPANY, LTD., London, England, whole wheat breads, biscuits, cakes, etc., to Ewing, Jones & Higgins, Inc., New York and Philadelphia.

RAYON INSTITUTE OF AMERICA, INC., New York, to J. Walter Thompson Company there.

CONTINENTAL GREENHOUSE MANUFACTURING COMPANY, Cleveland, Ohio, to the Lee E. Donnelley Company of that city. Business papers and direct mail.

*From an address made at a meeting of the Associated Business Papers at Washington, D. C., April 29.

What Does the Consumer Think of Advertising?

(Continued from page 236)

the products they see advertised, and that this is good for the buyer; that advertising causes people to buy merchandise they could better do without, and that this is bad for the buyer; that advertising increases the profit of the advertiser, and that this is not injurious to the buyer; and practically 95 per cent of the total believe that advertising aids them in their buying.

The figures in Columns E and F bring out, rather strikingly, differences in the opinions of the men and women with reference to certain of the questions. For instance, two out of three women believe that advertising raises the price of advertised goods, while only six out of eleven men so believe. The juniors correspond fairly closely with the women in their belief, while the freshmen correspond more closely with the men.

Advertised Goods Higher

The women believe more strongly than the men and the students that advertising tends to fix the price of advertised goods, and that advertised goods are higher than unadvertised goods. On the other hand, the men and the juniors are more emphatic than the women and the freshmen in their belief that advertised goods are of a higher quality than the unadvertised. Again, the women believe more strongly than the men, the juniors and the freshmen, that advertising increases the cost of selling. The same is true with reference to the decrease in the cost of production, with the exception that the juniors switch over to the side of the women on this point. The women are more pronounced than the other groups in their belief that advertising makes people work harder to buy the advertised goods. The women, however, are not so sure as the other groups that this fact is an outstanding benefit to the buyer. The freshmen are quite emphatic in their belief that advertising causes people to buy goods they might better do without, and that this is bad. This view is held by the other groups, but not so emphatically.

It was thought advisable to learn what media carried the advertising that influenced the consumer most. Each person interviewed was asked to rank in one, two, three order the advertising media he thought influenced him in his buying. Table I shows, in tabulated form, the results of this query for the men and women. These figures are absolute, and not percentage numbers.

ENGRAVED STATIONERY MANUFACTURERS ASSOCIATION



*Only one-fifth of a cent
more and it can be....
Genuine Engraving*

YOU appreciate the prestige-building power of *genuine engraving*. You know that an engraved letterhead commands consideration. Perhaps you have hesitated to use engraving in your business because it is "so high priced." But before you make a definite decision let's take a minute to get at the real facts and figures. The difference between a commonplace printed letterhead and *genuine engraving* is just about *one-fifth of a cent a sheet*. Is that too high a price to pay for prestige? Ask for *genuine engraving* and make certain that the material bears the identifying symbol pictured below.



*Genuine Engraved Business Cards
Open Closed Doors*

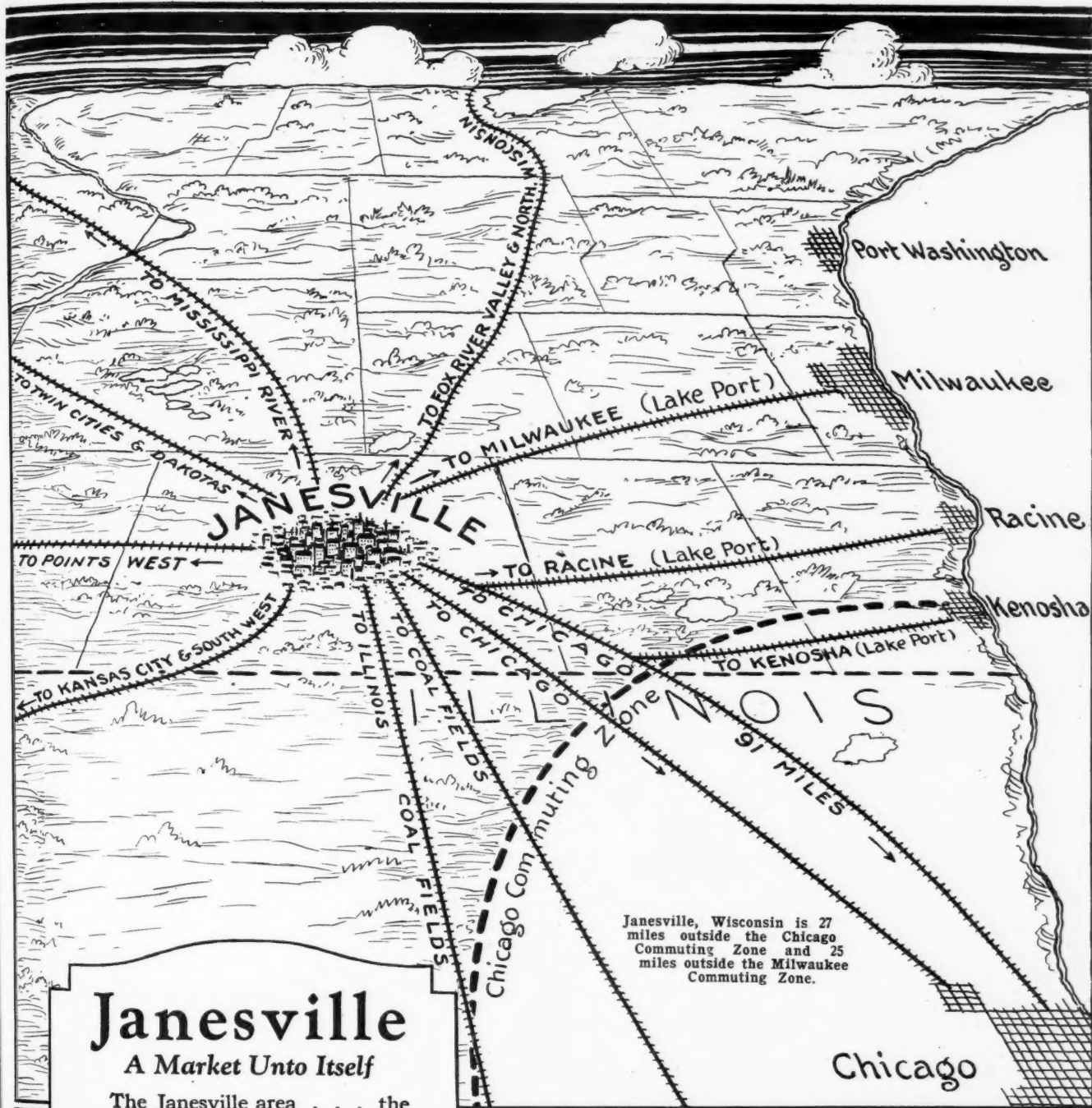
“WIFE—

CAN MANUFACTURERS AFFORD TO ACT ALONE? No one can say what is to come out of the confusion in the cigarette trade, and most of us must believe that the developments up to date were not foreseen by those who gave them the first push. The fireworks began a year ago, when the wholesale price was cut. At that time the Lorillard cigarette was being thrust into a place in the sun with the popular brands of Reynolds, Liggett & Myers and American. There was talk, too, of a foreign invasion. Financial authorities, viewing the proceedings as a fight to maintain supremacy, estimated the cost to the Big Three at thirty million dollars. But when the annual reports came out it was seen that the big companies had made more money than ever, owing to increased sales; Lorillard had continued to press forward, and, according to trade reports, the foreign company had obtained a good footing in the American market. . . . Meanwhile, however, the retail trade had become more or less demoralized. The cut had increased the profit of the small dealer but it had started a price-cut warfare among the large ones which threatens to have far-reaching consequences. This unexpected sequel is due to the fact that while the reduction in wholesale price could not be shared with the customer of the small store, the mass distributors at retail took advantage of the situation to increase their share of the business by radical concessions. With thinly distributed overhead the big retailers were able to sell cigarettes on very close margins, in some cases apparently foregoing profit altogether, while the little stores and tobacco chains that rely on cigarettes as their mainstay found themselves in precarious state. . . . Present indications are that the cigarette will become a sideline in stores of miscellaneous character—an outcome that would be of doubtful value to the producers. The moral seems to be that the making and selling of goods are now so closely related that independent action by either manufacturer or vender is a perilous adventure.

RETAIL STORE MORTALITY: Growth of the chains and increasing demand for underlying facts about the conduct of business have directed attention lately to the number of failures among small, independent stores. We learned from the Louisville survey how heavy is the toll of insolvency among the petty grocers of that city—thirty a month offset by thirty-two new ventures in the same period. A study of the situation in Buffalo made by the university of that city discloses a somewhat similar condition of affairs there and brings out the additional fact that drug stores have a relatively much better expectancy of success—only 25 per cent of the latter going out of business in their first year, com-

pared with 60 per cent of the grocers. . . . The reasons for this discrepancy in favor of the druggists given in the report are: better training owing to the legal requirement of a pharmacist's license, larger good will due to character of business, more varied lines of stock and greater capital investment. A simpler explanation can be found in the Census of Distribution in eleven cities. From the multitude of data therein compiled we see that of 16,500 independent grocery and delicatessen stores, no less than 4,524—27.42 per cent—have sales of less than \$5,000 a year each, whereas only 316 drug stores out of 3,876—8.16 per cent—have as little. If we draw the line at sales of \$10,000 the contrast is as striking: grocers, 48.89 per cent of the whole number with 13.88 per cent of the entire amount of independent store grocery sales; druggists, 17.77 per cent in number and 3.18 per cent in sales. Some part of these miniature storekeepers may have sufficient capital to grow up, but it is hardly necessary to add that most of them have dim prospects. To quote the census report: "The average grocery store with an annual volume of \$5,000 has little chance of survival. While the possibility of profitable operation increases with the annual volume, it is not until we reach a volume of more than \$50,000 that more than a mere existence appears to be possible." Yet of 79,778 independent stores of all kinds in the eleven cities, as many as 22,388, 28.06 per cent, sold less than \$5,000 worth of goods in 1926. . . . The chains keep themselves free from this sort of weakness by cutting out all units that fall below a profitable minimum of sales. In the grocery field this minimum is not far from \$40,000 a year, and the average net profit per store rarely exceeds \$1,000. No wonder the chains seem relatively the stronger.

CLEARING UP A MESS. The Federal Trade Commission, having stopped the publication of fraudulent and indecent advertising in one periodical, may be presumed to be engaged in redeeming its promise to deal with the worst abuses first; and, judging from specimens of the kind of advertising that was objected to, the cease and desist stipulation agreed to by the publisher was fully warranted. According to Commissioner Humphrey, the commission is proceeding against advertisements that are false on their face. What will remain to be done can be seen more clearly when all this offensive rubbish is cleared away. . . . Criticism of advertising for misleading readers has lost much of the weight to which it may have been entitled because many of its general conclusions have been based on the gross faults of the few. For the same reason the commission was misunderstood by some publishers when it called attention to the law which implicates the publisher as well as the advertiser in cases of deceitful practice. These misunderstandings should be removed by what the commission is now doing along common-sense lines to eradicate excrescences that have been tolerated too long.



Janesville

A Market Unto Itself

The Janesville area . . . the city of Janesville with its \$6,000,000 annual payroll and \$76,000,000 yearly output of manufactured products . . . the 41 nearby cities and towns . . . the rich \$42,600,000 a year dairy and farming country . . . is *not* a part of the Chicago market. Nor is it a section of the Milwaukee market. It is a distinctly separate unit, and must be so regarded by advertisers who wish to win their share of its oft-demonstrated buying power

A "One Newspaper Market"

In 13 out of 15 homes you'll find the Gazette

In its own city the Janesville Gazette goes into 15 out of 15 homes. In the other thriving towns and cities and the wealthy farm and dairy country of the Gazette area it is read in 13 out of 15 homes. This is thorough coverage of a prosperous and generous market. Here is a truly "one newspaper market."

The unique Janesville territory directory will be mailed to you. Salesmen traveling this territory will find it valuable. Send for copies.

The Janesville Daily Gazette

JANESVILLE, WIS.

Sales Management Bookshelf

Clark's "History of Manufactures"

The McGraw-Hill Book Company has just published for the Carnegie Institution of Washington the first volume covering the years 1607-1860, of Victor S. Clark's "History of Manufactures in the United States." This part of the three-volume work was originally issued in 1916 and is now out of print. The second volume, in a limited edition, appeared in 1928 and brought the story down to 1914. The second volume in its new form to appear this year will stop with the year 1893. The third volume, also promised by McGraw-Hill, will cover the years 1893 to 1928 and the material on 1914 to 1928 will be entirely new.

The importance of this set is so great that SALES MANAGEMENT breaks its normal book review precedent to name the price—\$15 for the three massive volumes, not sold separately. Volume I, with 600 large pages, many source footnotes and an exhaustive index, is primarily antiquarian in its interest, so enormous has been the change in practically every field of manufacture during the three generations since the beginning of the Civil War. The introductory note sets the limits of the scope of the work: "economic history in the strict sense . . . does not deal with technology and mechanics; does not give biographies of prominent manufacturers . . . does give an interpretation in broad outlines of the development, organization and economic interactions of manufacturing industry in our country."

More than one-third of this first volume is devoted to the colonial period and Chapter II describes the British policy of control and, contradicting the old interpretation, judges that "upon the whole the industrial development of the colonies was about where it would have been had their economic policies been governed by their own people . . . not retarded or furthered decidedly by subordination to the British government." Colonial legislation, with its bounties, loans and subsidies, was equally negative in major results.

The last third of the volume is where most readers will begin to feel an active interest, especially the chapters on technical progress after 1790, organization in the same period and the special treatment of the metal and textile industries. A half-dozen remarkably fine maps illustrate this book.

It deserves a place in any well-equipped sales or advertising library that can afford something more exhaustive than Professor Keir's book published by the Ronald Press and recently reviewed in these pages.

"6 H. B. R."

The case method of instruction in law schools is not so well established as it seemed a decade ago, but the Harvard Graduate School of Business Administration still publishes the "Harvard Business Reports." Volume 6 ("Cite cases in this volume as 6 H. B. R.") has just been published by A. W. Shaw Company with commentaries by Professor Copeland and

Assistant Professor Neil H. Borden. The content of the volume is exclusively cases concerned with industrial marketing, "a highly significant subject which heretofore has received altogether inadequate attention," says the foreword, "even among the business men themselves."

The scheme of these case reports is to outline the problem of a certain manufacturer) whose name is almost invariably disguised but whose product sales methods, distribution, etc., are described as a part of the problem) and to give the actual solution and explain the right solution of the problem. More than fifty different products are included in the seventy-odd cases in the volume—for example, leather belting, textile machinery, packaging machinery, various types of tools, plumbing and hardware. The type problems of thin-market selling are thus discussed in relation to the actual concrete examples.

The crucial question of consumer advertising on products not bought by the ultimate consumer comes up repeatedly and the answer is uniformly negative. "Don't advertise umbrella frames or jewelry boxes or sliding-door hardware, or rubber webbing to the general public."

Mass Production—Pro and Con

The May *Atlantic Monthly* has an article by Edward A. Filene, entitled "Mass Production Makes a Better World," and an article by his brother, A. Lincoln Filene, which is called "The Fallacy of an Industrial Panacea," but which might have been called "The World Needs More Than Mass Production to Make It Well." The editor of the *Atlantic* says that the debate of the two brothers was unpremeditated, "Each paper was sent to us separately and on different occasions."

The second article sums up the first in these words: "Many have hailed mass production as the economic messiah, which by reducing the price of goods and at the same time raising wages is to redeem the world from poverty," and Mr. A. Lincoln Filene lists and described the factors that limit efficiency of mass production—notably, "the new conditions of the consumption market developed by business itself": that is, competition resulting from success and using advertising and resulting in divided markets and limited mass production. Toothpaste is the example he uses.

Style in products and the increasing desire for individuality (growing out of the higher standard of living due to high wages due to mass production) are factors that limit mass production, because this mass production did not "visualize the obstacles which have inevitably arisen against it."

Propaganda for Peace

Ivy Lee in the last quarter century has plead many an unpopular case and has seen most of them become much less unpopular or even popular. John D. Rockefeller is an excellent example. Will Mr. Lee be as successful for his pleas for Soviet Russia in his recent book on that subject? Or in his efforts at a better understanding of America abroad in "The Black Legend,"

the leading article in the May issue of the *Atlantic Monthly*? The "black legend" is the European myth that the United States is "an active menace to the rest of the world" and it is blacker for the revulsion of feeling since 1917 when Europe saw American troops and then Woodrow Wilson as the "hope of the world."

Now Europe (mostly) protests at "the American language, high buildings, mass production, electric signs, big headline, ubiquitous advertising." American economic penetration seems a "homogeneous entity, as compact and concentrated in purpose as was Kaiserism before the War."

We stand better with Germany, Russia and Japan than with any other nations, says Mr. Lee, and worse with England. Partly war debts, partly naval parity is the cause, and partly the fact that we share, if we have not actually seized, Great Britain's primacy. The latter part of Mr. Lee's article, even more interesting than this statement of the problem, is devoted to suggestions for the solution.

"There is nothing like human contact to produce understanding among men." The International Chamber of Commerce, the Foreign Policy Association and the Council of Foreign Relations will be helpful. Why not a bureau in the State Department to study the basic problems of peace, somewhat as the War College studies every contingency of war? "It is of primary consequence to consider what is America's attitude toward the world," says Mr. Lee, after quoting the famous saying of J. P. Morgan that what the public thought of the house of Morgan was less important than "what is our attitude toward the public and what do we desire to have the public think of us."

It will be interesting to see what Mr. Lee does (and the methods he uses) to effect these changes of attitude!

Shall Competition Be Preserved?

"Aren't we Volsteadizing the Anti-Trust Laws?" is the question put in the May issue of the *North American Review* by James Harvey Williams, president of the Brooklyn Chamber of Commerce. He says that Congress does a poor job interpreting the will of the people. "The people demanded Temperance, but Congress gave them Apparent Prohibition and Transparent Nullification. . . . The people outlawed the Trust, but judicial interpretation and Congressional sentiment have substituted the ubiquitous merger which is fast leading to semi-monopoly. . . . the ultimate destruction of competition. . . . Perhaps the creation of the industrial bootlegger will yet be avoided by a reversion to economic law." The latter part of this article is an analysis and a refutation of Dr. Virgil Jordan's argument that demand must be increased to meet production rather than decrease production to meet demand. Mr. Williams' article overstates the importance of legislation, perhaps, but certainly there is food for thought in his expressed desire for "a new interpretation of law." Why not also a new public opinion?—based upon the economic philosophy adapted to modern conditions.

In the same issue of the *North American Review*, Robert Stewart, Dean of the Nevada College of Agriculture, tells (in an article entitled "Master Farmers Succeed") how sound business principles can be applied, are being applied, to farming. Especially interesting is the evidence he adduces to prove that centralization and

big unit operation are practicable, desirable, almost essential, vital and necessary in farming as in any other modern industry or business.

The Evolution From Peddler to Chain Store

Tinware peddlers, selling the output of the Pattisons in Berlin, Connecticut, were the first of the many stages of change in American selling methods as picturesquely described by John T. Flynn in "Up against the Chains" in *Collier's* for April 27—an article you will want to file in your folder labeled "Chains," or possibly in one marked "Retailing, Development of."

The article is specially valuable for its summary of legislative measures proposed by the independents to kill off the chains.

Mr. Flynn discusses "loss leaders" and the whole theory of price maintenance; the more successful attempts to outdo the chains by imitating their practices, especially group buying; and—a comparatively new note in popular articles on chain stores—the effects of mergers and of widely held stock. "Perhaps there are more people interested in chain stores than in independent stores. For, in addition to the large number of employees in the chains, there is a growing army of stockholders and bondholders."

The Farm Market

Whether or not you are immediately and directly interested in the farm market, there is much to be learned from studying it because it is a type, an extreme case, an example of retarded development (viewed from a commercial angle). The farmer is physically and psychically less accessible to mass-selling and advertising methods than any other great group in America. "Just what is he like?" the sales manager and the market analyst may well ask in an effort to learn what is the hardest task that confronts selling. There are many clues to the answer to this question in Ellis Lore Kirkpatrick's new book "The Farmer's Standard of Living," just published by the Century Company in the series called The Century Rural Life Books.

Mr. Kirkpatrick is associate agricultural economist in the U. S. Department of Agriculture, Division of Farm Population and Rural Life. Back in 1923 he studied, for Cornell University Agricultural Experiment Station, the standard of living of four hundred farm families in Livingston County, New York, and more recently he supervised the collection and tabulation of statistics on purchases of household furnishings and equipment for the Webb Publishing Company, St. Paul.

In this volume he gathers all the available material, which is unfortunately spotty and difficult to compare and collate, and comments on it. Even though you don't need all this statistical material on the farm market, it will certainly be to your advantage for general information to read Chapter II, "The Standard of Living Defined," a very clear analysis of the loosely used terms "level of living," "plane of living," "scale of living," etc.; and Chapter XI "Factors which Condition the Standard of Living" under which head the author tries to decide whether the actual standard of living is determined by income or is the desired standard of living, a dynamic factor which produces more income. And a chapter on "Accessibility of Goods" discusses "the farmer's having to lag behind in the procurement of goods, facilities and services."



Cases by WINSHIP for Portable Products

CASES by the 100,000 or the Piece! Cases that merely afford protection and portability or cases that make the product worth more than the price! Winship makes all!

Winship designs the case and aids the manufacturer to whom this is a *new problem*; or Winship builds to specifications to fit every need—even a price limitation! Winship cases *help* sell the product that's carried by hand. *Portable typewriters, calculating machines, health motors, radios, phonographs, sewing machines, cosmetics, electrical instruments, vibrators*,—these are but a few of the numberless cases designed and built by Winship.

Send a sample of your product or your present case or for any information and let us submit ideas and prices to you.

Boston
71 Summer St.

W. W. Winship & Sons, Inc.
Utica, N. Y.

New York
39-41 W. 32nd St.

Makers of the famous FABER Sample Trunks and Cases—and Cases for Portable Products



New England's Second Largest Market

123,396

was the average net paid
circulation of

The Providence Journal

and

The Evening Bulletin

for the six months ending March 31st,
1929. This is a net gain of 6,087 copies
per day over the corresponding period
ending March 31st, 1928.

These newspapers have never given a
premium to a single subscriber. Their
circulation is greater than that of the
eight other English language dailies in
Rhode Island combined.

They offer adequate coverage of the
Rhode Island market at a minimum
cost. Space in these newspapers may
be bought separately, or optional com-
bination at a decided saving.



Providence Journal Company

Providence, R. I.

Representatives

CHAS. H. EDDY CO.
Boston • New York • Chicago

R. J. BIDWELL COMPANY
San Francisco • Seattle • Los Angeles

New Account Contest that Heads Off Credit Squabbles

(Continued from page 246)

succeeded in wasting much of their time as well as ours, and the net result of the contest was not as healthy as this one, when they knew they would not get a point for opening a store unless it had either first- or second-grade financial rating."

The following rules governed the contest:

"1. A new account is one who has either never purchased from us or one who has not purchased since January 1, 1928.

"2. It must be O.K.'ed for credit for consideration.

"3. The order must total at least \$15.

"4. Contest points are to be counted on date of receipt of orders at Boston office.

"5. Fill out report slip and pin it to each order from new account. Fill every space to get credit.

"6. Accounts will be graded for prizes as follows:

"Credit rating:

"Class A, 200 points.

"Class B, 100 points.

"Class C, 50 points.

"Class D, 25 points.

"Class E, 10 points.

"Class F, 5 points.

"New stores with no rating will be graded as Class E account and points will be given if references or statement permit shipment.

"Prizes (half of each prize to salesman's wife):

"1. A bonus of five cents a point on all classes of new accounts.

"2. Cash prize to the man totaling highest number of points, \$50.

"3. Cash prize to the man totaling second highest number of points, \$25.

"4. Cash prize to the man totaling third highest number of points, \$10.

"5. Cash prize to the man totaling largest volume sold to new accounts, \$25.

"No bonus of less than \$10 will be paid."

Thirty men figured in the prize awards. Mr. McLemore, who covers Arizona and New Mexico, won first prize with a total of 2,405 points. He received as his reward \$195.25. Mr. Frosch was second with 2,180 points, to win the sum of \$134. Mr. Dowd was third with 1,405 points, and prize money of \$80.25, and Mr. Fink fourth with 1,210 points and a check for \$60.50. McLemore also won the \$25 prize for total volume sold to new accounts, with a total of \$1,682, about \$300 ahead of Frosch, who won second place. He has only been on

the force for about a year and although his territory had been covered regularly previously, he succeeded in finding a large number of stores of the better quality to open up. Dowd, who won first prize in the contest two years ago, shows he still has plenty of good salesmanship left, winning third prize.

Selling Plan Nationalizes Local Business

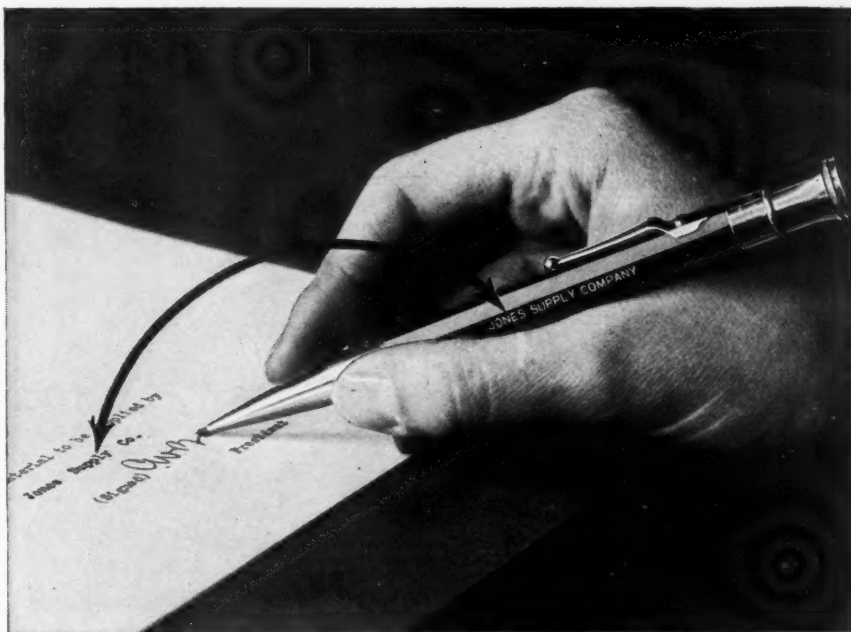
(Continued from page 231)

tising on the larger volume market. This year our copy is emphasizing the advantages of Cromar flooring for new buildings. In the new field we can now afford to devote the time and energy necessary to obtain the big orders, and we are going after it with every confidence, because our experience has shown that adequate dealer distribution will make the additional work much easier.

At the start of our development along the broad lines of the three factors briefly discussed, we sometimes feared that, owing to the cost of delivery to remote territories, we would never be able to sell Cromar flooring throughout the country. When I said we had national dealer representatives when our national consumer advertising started, I meant our distribution was sufficiently widespread to justify the campaign. Now, after a year of national advertising, a satisfying result is that we are building up a good patronage in more distant territories.

In various ways, also, the demand created by our advertising has been responsible for economies. An example is furnished by the appreciable increase in the size of dealers' orders for stock. Only a few years ago about 80 per cent of our volume was shipped in lots of one or two thousand feet. Last year nearly 60 per cent of our output was delivered in car lots. The saving in shipping and cartage charges, in salesmen's call-backs, billings, collections and correspondence has been considerable.

I am also convinced from our experience that every manufacturer who adopts a campaign such as ours will very much lighten his labor and assure the success of his venture by reading the best trade journals and putting every idea into practice which he finds there applicable to his business. It would have been impossible for us to coordinate our merchandise policy with our other activities if it had not been for years of study of the best magazines and books published on the subjects related to advertising and marketing.



Keep your name before the man who signs the orders

Sell the man who says "Yes"

THE man who makes the decisions—who places the orders—is the man to advertise to.

No matter what his title, there is one person who says "Yes"—and he's the man to sell.

Your salesman cannot be with him ALL the time. But your advertisement can.

Free Offer to Executives

Have your salesmen take your best customers and prospects an attractive Autopoint Pencil, stamped imperishably with your ad—your name, slogan, etc. "The pencil of big business."

Everyone who gets an Autopoint admires it—likes to write with it. No Autopoint ever hit a wastebasket—most "ads" do.

When orders are signed, your Autopoint is there to remind. Often it writes the actual order to your firm that helps to "pay out" on this kind of advertising.

Autopoint is the pencil of big business—and it brings big business to those who use it.

OFFER TO EXECUTIVES ONLY: Send for attractive sample Autopoint and full particulars of proved business-building methods; prices, etc., FREE.



Over-size
Model
\$1.00

3 Big Features

- 1 Cannot "jam"—protected by patent. But one simple moving part. Nothing to go wrong. No repairs.
- 2 Bakelite barrel, beautiful onyx-like, lightweight material.
- 3 Perfect balance—not "top-heavy."

Autopoint

The "Better Pencil" Made of Bakelite

AUTOPOINT COMPANY
4619 Ravenswood Ave. Chicago, Ill.

Attach business card
or letterhead

For Executives
Only

AUTOPOINT COMPANY
4619 Ravenswood Ave., Chicago, Ill.

Without obligation, please send sample Autopoint, booklet, sales-building proposition, prices, etc.

Name.....

Firm.....

Title.....

Address.....

SM 5-4-29

A LIBERAL education in the basic principles of color advertising is afforded by the reproductions of the work of The United States Printing and Lithograph Company appearing in this magazine every month. Watch for them.



The United States Printing
and Lithograph Co.

Cincinnati Baltimore Brooklyn

Service offices in 16 cities

Among the World Cities

Washington

is Outstanding

ADVERTISERS who use the Washington newspapers to inform the public about their wares reach a most cosmopolitan market.

They get an almost immediate reaction from those gathered here at the seat of our government from the far corners of the world.

The first thing each morning, The Washington Post is in the homes of this cosmopolitan audience, presenting both news and advertising in a manner that cannot fail to hold attention.

The Washington Post

The first thing in the morning

Survey of Surveys

BY WALTER MANN

Families in Chicago

One of the most interesting statistical studies made public this year is an analysis of the residential population within the corporate limits of the City of Chicago, headed "Solving the Disappearance of Half a Million People."

This study, which was made by the Chicago Herald and Examiner, takes issue with the U. S. Census Bureau's method of computing the number of families, on the basis that it terms as families any group of persons living together as one household (hotels, institutions, lodging houses, flop houses, etc.), as well as actual family units. This method results in an average "census family" of 4.1 persons.

It is said to be a current practice for business men to divide the total population by the census family, to get the approximate total number of families. For merchandising purposes, they claim that this method results in an error of 43.3 per cent! In other words, it shows the "family" population to be only about half of its actual size.

According to three apparently authentic estimates, the population of Chicago proper is seen to be somewhere between 3,157,000 and 3,260,000. For a round figure, 3,350,000 is used. According to other equally authentic data, it is estimated that 394,000 people who live in hotels, clubs and lodging houses are shown as 18,000 families in the U. S. Census report.

The contention is then made that the factor of real importance to advertisers who want to get a full picture of the economic size of Chicago proper is the number of "independent economic units," rather than the hypothetical number of "census families." Here follows a carefully worked out estimate showing 855,000 independent economic family units, which are further augmented by 280,000 independent units consisting of individuals who are living alone. This makes in total 1,135,700 independent economic units, which must be reckoned with in any real attempt to cover the Chicago market.

Following this is a graphic showing of the coverage of these units by morning, evening and Sunday papers. From this it would appear that the practice of dividing the so-called "census family" into the total population, in order to get the actual number of "families," is unsound.

Whether each of the 280,000 individuals who are living alone would actually constitute a buying power similar to that of the average Chicago family, on all kinds of products, is, in our mind, open to debate. Take, for instance, such products as bluing, furniture or children's hose. Certainly as a class, these independent economic units are not proportionate buyers of such commodities.

At any rate, this booklet opens up a subject worthy of some real thinking on the part of those who wish to get a 100 per cent coverage within the corporate limits of Chicago. We shall, moreover, await with interest the promised supplementary study of suburban Chicago.

Percival White on Sales Quotas

"Sales Quotas—a Manual for Sales Managers," is the title of a forthcoming book by Percival White, of White and Parton, Inc. (25 West 45th Street, New York City). Its stated purpose is "to give sales managers and other executives an idea of the principles of quota selling, and to support these principles by plentiful examples from the best quota practices of American companies."

Anyone who knows White's previous works will know his writing on distribution and advertising carries the undeniable evidence of intensive study, as well as the stamp of true experience and authority. Those who own copies of his "Market Analysis" or "Advertising Research" will know the thoroughness with which he has attacked this universally interesting supplementary subject.

A brief glance at the sectional headings follows:

Part I.

- (a) Kinds of Quotas and Their Uses.
- (b) Theory of Quota Setting.

Part II. The Market as a Quota Determinant.

- (a) Statistical Method and Forecasting.
- (b) Territorial Market Analysis.
- (c) Types of Market Indices.
- (d) Combining and Weighing Indices.

Part III. The Company as a Quota Determinant.

- (a) Product and Company Analyses.
- (b) Sales Analysis.

Part IV. The Quota in Operation.

- (a) Dividing the Sales Quota.
- (b) The Sales Force and the Quota.
- (c) Incentives for the Sales Force.
- (d) Installing the Quota System.

Part V. An Example of Quota Practice.

- (a) Formulating a Quota for Cosmetics.
- (b) Quota Plan for a Stove Company.

A further glance through the proofs shows the book to be extraordinarily easy reading for such a purely technical subject.

"Sales Quota" is due in about a month.

Trends and Indications

Valuable indeed is the house organ of Dorrance, Sullivan & Company (130 West 42d Street, New York City) to any sales or advertising manager who wants a monthly picture of distribution activities. In addition to thumbnail sketches of all sorts of research subjects, we find a general resume of business conditions for the month, which include Agriculture, Building, Iron and Steel, Car Loadings, Motor Production, Bank Clearings, Prices, Futures and Liabilities, Retail Trade, Textiles, Employment and Money Movements—all done briefly and very much to the point.

Apparently the only repayment imposed upon readers on the mailing list is that an equal attention be paid to a bit of a blurb on the services of Dorrance, Sullivan & Company, as advertising agents—which is little enough considering the value of twelve pages of "Trends and Indications."

How Sam Vauclain Goes After a Big Order

(Continued from page 239)

"Look here, if you treated a horse the way you have treated my engines the society for the prevention of cruelty to animals would be after you. Now, it isn't fair to handle our engines like that and write us that they are no good. It is your organization that isn't any good, or maybe it's you. I don't know."

"Well, sir, you should have seen his face. If his glance had been freezing in the beginning it was burning now. He repeated that his organization was all right, and the engines were bad. As for himself, he left me to draw my own conclusions. But I told him to get his coat and come down to the roundhouse. He had to go, under the circumstances. And one look showed him that the engines had been mishandled."

Selling Some More

"We went back to the office much better friends and I said to him:

"See here, you need some passenger engines to put your trains on schedule and stop the public talk about how late they run. Shall I send you down a few?"

"He was surprised again, denied that his trains were late any oftener than those of many roads, and so on. But I told him that he wasn't working for other roads and not doing his own justice if he had delayed schedules for the lack of a few locomotives."

"So we had as fine a row as you ever heard—and parted good friends. He really was a first-rate executive, but must have grown careless; got into a rut. We have been friends ever since and his trains are run on time now-a-days."

There is no doubt that Samuel M. Vauclain enjoys such selling contacts. His is the philosophy of a happy, fighting man, on the job he loves. He believes that a man's job should be his joy, and when it isn't that condition implies something wrong with the job or the man—usually the man, because a balky job can be turned into joy by optimism.

"Almost anybody can accomplish almost anything if only he has the will to do it," was the way he phrased it and he believes what he says. He commands 18,000 men every day, but he does it by understanding and not by any mere right of authority. He has the contemplative air and the philosopher's creed.

"The hard thing in life is not to make the money needed for happiness, but to find the job you can do best,"



MODERNITY

These hotels have always been modern, ahead of the times.

. . . They're that today, with radio in every room; and they were first, too, in providing every room with private bath, circulating ice-water, morning paper, pin-cushion with threaded needles, and many another Statler comfort.

*The organization of
Statler*

There are Statlers in

**BOSTON — BUFFALO — CLEVELAND — DETROIT
ST. LOUIS — NEW YORK (Hotel Pennsylvania)**

ONE "O" Coincides— With the Tulsa Wholesalers Markets!

This map shows the sales areas of Tulsa's two leading Meat distributors, whose markets fall well within the bounds of Zone "O"—where one out of every two persons reads The Tulsa Tribune.

Distribution of Business

Tulsa 65%
Zone "O" 100%

Since Zone "O" constitutes practically 100% of the wholesale market it is therefore apparent that The Tribune is the most effective medium to use in advertising products sold in this market. No waste circulation (more circulation where circulation is needed) in the area served by Tulsa jobbers, branch houses and brokers.



The Tulsa Tribune

Tulsa's Leading Newspaper

EVENING

SUNDAY

G. LOGAN PAYNE CO.

GEORGE H. PAYNE, Inc.

New York - Chicago - Boston

Los Angeles - San Francisco

he continued. "I suppose it is a fact that some men never really hit upon their vocation. But, broadly speaking, the right job for every man is the thing that he must do next. I doubt whether many of us ever pick our jobs; we just happen upon them, or they happen upon us. Presently we get acquainted with each other and both decide that the other fellow will do pretty well. That is the way to know your work. Make it your friend. Invest it with a personality and give it the chance that you would give a friend. Do not cheat or skimp it; be loyal and zealous and your job will reward you with every joy of friendship."

Samuel Vauclain belongs to the six o'clock school of success—his regular rising hour—and reaches his desk by seven. Sometimes he stays there until ten at night. He never has taken a vacation and doesn't feel the need of one now. Hard work, he believes, is the sinew of achievement and the surety of health.

During the World War

Listening to him expound his creed of success achieved by doing the next job right and always being ready to put forth the utmost effort, one can perceive that one of the happiest periods in his life began with the stern demands of the World War. The necessity for large and intensive production was a challenge which struck sparks from his imagination.

His earliest lessons were learned in the school of hard work. "I went to school more than most boys of my day and wanted to attend college. Also I wanted to be a mechanic," he said.

"The entrance age was seventeen. A year earlier I entered the roundhouse as a helper in order that no mischance might prevent my admission. That was duly granted and I served a five-year apprenticeship. During the last year or two of this time I was an under-foreman, drawing the pay of an apprentice. It was my intention to enter college after completing the apprentice term. But no sooner had I become a full-fledged workman than I was made foreman. Should I leave the road for three or four years of study? It was a hard problem and I considered it until I was moved up another peg and my college course went glimmering."

With such a beginning, Mr. Vauclain studied mechanical drawing at night and came to the Baldwin Locomotive Works on an inspection job. He stayed there a year supervising the building of engines. This was a new and bigger world. Here indeed, he decided, was the theatre of his efforts.

Personal Service and Supplies

Classified Rates: 50c a line of seven words; minimum \$3.00. No display
Cash Basis Only. Remittance Must Accompany Order.

SALES PROMOTION

\$50 to \$50,000 DAILY SALES SECURED FOR our clients. This distributor took on a new specialty, retailing at \$60. His first purchase \$12. We submitted a sales program capable of national expansion. Within four years his sales were nation-wide, running to \$100,000 monthly. 35 years salesmanship-in-print experience back of our campaigns. Submit sales problems for free diagnosis. 10 years Sales Promotion Manager, Larkin Co. James C. Johnson, 119 Woodbridge Ave., Buffalo, N. Y.

DIRECT MAIL

CONSIDER YOUR SALES LETTERS: What is fifty or a hundred dollars, if your volume of returns increase from 25 per cent up? Eleven years of applied experience is behind every letter written for you. Original letters \$15, or \$10 each in series of three or more. Re-written letters \$15. G. R. Evans, 153 N. Market Street, Troy, Ohio.

FOR SALE

FOR SALE—A set of Sales Maps. National Map Company Wall Maps of forty-eight states, indexed, washable surface, backed with map tack board, mounted on swinging frames. In good condition. For sale at a small fraction of original cost. Inquire Sales Department, North East Service Inc., Rochester N. Y.

EXECUTIVES WANTED

IF YOU ARE OPEN TO OVERTURES FOR new connection, and qualified for a salary between \$2,500 and \$25,000, your response to this announcement is invited. The undersigned, provides a thoroughly organized service, of recognized standing and reputation, through which preliminaries are negotiated confidentially for positions of the calibre indicated. The procedure is individualized to each client's personal requirements; your identity covered and present position protected. Established nineteen years. Send only name and address for details. R. W. Bixby, Inc., 118 Downtown Building, Buffalo, N. Y.

Index to Advertisers

	Page		Page
American Builder Pub. Corp.	256-257	Kimberly-Clark Corp.	Facing 248
American Weekly	Cover	Merchandise Mart	Cover
Autopoint Co.	269	Moore, John C., Corp.	226
Batten, Barton, Durstine & Osborn, Inc.	227	Munising Paper Co.	259
Boston Globe	255	New Orleans Times-Picayune	224
Buffalo Evening News	221	Newark Evening News	222
Bureau of Envelope Mfrs. of America	245	Providence Journal Co.	268
Chicago Evening American	252-253	Review-Chronicle Nat. Adv. Bur.	223
Chicago Tribune	Cover	Statler Hotels	271
Christian Science Monitor	228	Taxi Weekly	272
Conkey, W. B., Co.	247	Tulsa Tribune	271
Engraved Stationery Mfrs. Assn.	263	U. S. Printing & Litho. Co.	270
Gibbons, J. J. Ltd.	272	Washington Post	270
Industrial Dallas, Inc.	261	Winship, W. W. & Sons, Inc.	267
Janesville Daily Gazette	265		

Extra Copies

If you want extra copies of this issue please order promptly, as our supply is frequently exhausted a week after date of issue.

The Taxi Weekly

Covers the Whole Cab Industry

New York Edition goes to 10,000 taxicab individual, fleet and company operators. Issued Mondays.
National Edition goes to 4,000 fleet and company operators throughout the U. S. Issued Mondays.

Published in its Own Printing Plant at
54 West 74th Street—New York City

WANTED: Superior Salesman-Executive

Qualifications: Personal sales ability, initiative, contact with buyers in department and chain stores, mail order houses; ability to cooperate with mill (complete lines knitted outerwear) in proposing new styles and colors.

Reward: Good earnings from the start and, if he makes good, quick advancement to director of sales with headquarters in New York.

Do you know the man? Address box 307 SALES MANAGEMENT, 420 Lexington Avenue, New York, N. Y.

"GIBBONS knows CANADA"

J. J. GIBBONS Limited Advertising Agents
Toronto Montreal Winnipeg Vancouver Hamilton London Eng.
New York Office 2152 Grambar Bldg. Thomas L. Briggs, Manager for United States



GREAT AS ITS MAGNITUDE, *LOCATION* IS THE MEASURE OF ITS INFLUENCE ..

A \$32,000,000 building, indeed—but what ideal *location* for a project designed to cut manufacturers' and wholesalers' distribution costs!

How favorably placed for a market intended to effect "*less time buying, more time selling*" for retail merchants. Situation contiguous to the business heart of Chicago means that the Merchandise Mart will occupy a place of vantage in the "Great Central Market" of the nation, accessible in shorter time and at less expense than any other great wholesale distributing point.

Exhaustive surveys of possible areas for the necessary extension of Chicago's wholesale district revealed

no other location at all comparable to that chosen for the Merchandise Mart. Years of adjacent development can only serve to accentuate the specific importance of this location.

Make your plans now to occupy space here when the Mart opens next Spring; your offices, showrooms, salesrooms and flexible storage space *all on one floor, under one roof.*

Many important sections of the building have already been leased by firms of unquestioned leadership in the industries they represent.

Send today for floor plan and complete details.

Write now for new de luxe brochure, containing pertinent facts about the Mart.

THE MERCHANDISE MART

OFFICES: 215 WEST WACKER DRIVE , , , CHICAGO

CHICAGO TRIBUNE CIRCULATION

838,422

NET PAID DAILY

1,235,442

NET PAID SUNDAY

*Average for the six month period
ended March 31, 1929*

The highest six month average in Tribune history!

SURGING to new heights and notching new all-time highs month after month, Chicago Tribune circulation on week-days during the six months ended March 31st exceeded the highest previous average by more than 29,000 copies daily. The Sunday Tribune, reaching an average of nearly a million and a quarter families during the period, topped the best previous average by more than 52,000!

The Tribune's week-day circulation in Chicago and suburbs alone provides a coverage of 61% of all the families in metropolitan Chicago, and is greater than the total

circulation of any other Chicago daily paper. And the Sunday Tribune, with its overwhelming coverage of 72% of all the families of metropolitan Chicago, reaches 225,000 more families in Chicago and suburbs than its competitor.

"SIX DAYS AGAINST SIX"

During the first three months of 1929, the Chicago Tribune on week-days alone carried a total of 4,220.97 columns of national display advertising. This represents a gain of 874.02 columns over the same period of 1928. And it sets up a lead of 555.94 columns of national display advertising, six days against six, over the leading Chicago evening newspaper!

These sensational gains have made the Tribune more than ever able to do your Chicago advertising job alone. For maximum sales in Chicago and the Chicago Territory during this spring and summer, concentrate your advertising in the Chicago newspaper that can do the job alone—the Chicago Tribune!

Chicago Tribune

THE WORLD'S GREATEST NEWSPAPER

March Circulation: 854,585 Daily; 1,236,284 Sunday
